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MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1991

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

ON

H.R. 5313

AN ACT MAKING APPROPRIATIONS FOR MILITARY CONSTRUCTION FOR THE DEPARTMENT OF DEFENSE FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1991, AND FOR OTHER PURPOSES

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MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1991

MONDAY, MARCH 5, 1990

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:35 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Jim Sasser (chairman) presiding.

Present: Senators Sasser, Grassley, and Reid.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE ARMY

MILITARY CONSTRUCTION AND FAMILY HOUSING PROGRAMS

STATEMENT OF LT. GEN. HENRY J. HATCH, CHIEF OF ENGINEERS, DEPARTMENT OF THE ARMY

ACCOMPANIED BY MAJ. GEN. PETER OFFRINGA, ASSISTANT CHIEF OF ENGINEERS, DEPARTMENT OF THE ARMY

OPENING REMARKS

Senator SASSER. The subcommittee will come to order.

Today, we begin hearings on the fiscal year 1991 budget request for military construction.

The bill before the subcommittee requests a total of $9,126,000,000 for fiscal year 1991. This amount is $632 million over the amount approved by Congress last year.

As a matter of record, I might point out that the regular military construction accounts increased by $215 million, primarily due to increases requested for Air Force and defense agencies' military construction and for Navy and Army family housing. The remaining increase is for the "Base closure" account.

The budget request provides $490 million for construction projects at specified locations overseas. This is an increase of 22 percent over the amount provided by Congress last year.

While increasing overseas construction, the budget seeks to reduce appropriations for the Reserve component by $378 million below last year's level.

Frankly, the subcommittee has a hard time understanding the priorities that are represented in this budget request. Base closures are supposed to save money, yet the request for base closure funding is almost twice as large as that provided last year.

Also, with the unprecedented and I think historic changes that are occurring in Eastern Europe, it appears timely to increase the role and mission assigned to the National Guard and to the Reserves.

It is clear to me that as we begin to build down the Active Force, we need to look more and more to the Reserve forces to fill in the void there, yet the budget seeks large reductions in the National Guard accounts while increasing funding for the Active Forces, particularly at our overseas bases.

The subcommittee will be reviewing these and other issues prior to markup on this bill.

I will turn now to our ranking member, Senator Grassley, for any statement or observation he might wish to make at this time.

STATEMENT OF HON. CHARLES E. GRASSLEY

Senator **Grassley**. Well, Mr. Chairman, I appreciate very much this hearing and our close working relationship, and I look forward to that continuing this year as it was very successful between the two of us for the last year.

And, of course, we have two veteran witnesses before us. I welcome them as well, but I also notice from the agenda that we have two new people who have not appeared before us before, Rear Admiral Bottorff and Brigadier General Adams, and I welcome them to the process that we are involved in here.

I believe that we are starting what will be most likely a very difficult review of the military construction budget. The Defense Department request was $9.1 billion for fiscal year 1991. This amount represents an increase of about 7 percent over last year's appropriation.

However, we must consider that $916.5 million is requested for implementation of both base closure recommendations, and that is an increase of 83 percent over last year. Therefore, we have an increase of less than 3 percent for other accounts in the bill.

My point is not that I believe the increase is too little, but instead that we have to look at the overall request to see the detail which, for example, shows that overseas requests are up by 22 percent from last year's appropriation.

Now, to be fair, the overseas request is only 49 percent of the fiscal year 1990 request, but a 22-percent increase in overseas, especially in this time when the overall increase is 7 percent, will undoubtedly come under some careful scrutiny by those of us on the subcommittee.

Mr. Chairman, I want to let you know that as in the past I look forward to working with you during the budget review cycle. I know that the changing world will have an impact on this small portion of our national defense budget which is the prerogative of the Military Construction Subcommittee.

We have already begun to hear comments about a second base closure package, and I expect that there will be more to come.

Let me say that while the work of this subcommittee may to some, appear to only concern itself with members of this committee getting projects for their States and districts, I believe that we should consider a much more important fact about this legislation.

We have a responsibility to attempt to provide the military members and dependents with adequate facilities in which to work and live.

In addition, in a broader sense we must consider the overall condition of defense facilities worldwide which, in many cases, is totally inadequate.

Mr. Chairman, I know that we have much work ahead of us. I know that budgetary problems are paramount. I know we will likely make some reductions in this budget request, and I know whatever the outcome of the military construction bill for fiscal 1991, this subcommittee will do what is in the best interests of our country. Thank you.

Senator SASSER. Thank you very much, Senator Grassley.

And we have been joined here this morning by Senator Reid of Nevada, who does yeoman service for this subcommittee. Do you have any comments?

STATEMENT OF HON. HARRY REID

Senator REID. I do have a statement, Mr. Chairman, if I may. Thank you.

Mr. Chairman, I am grateful to you for holding this hearing and before I get to my prepared remarks, I certainly agree with your statement that we should look to the Guard and Reserve in this time of building down more than what it appears we are.

While both the Army and the Navy presence in Nevada, Mr. Chairman, are relatively small, both of the facilities make major contributions to the national defense. I am sad to report, however, they do not both behave the same in Nevada.

It seems, Mr. Chairman, that the Army has been unobtrusive in all of its activities, while the Navy seems to go out of its way to show its disrespect for the people of Nevada.

I encourage the Army to continue to consolidate munitions activities at our country's largest munitions surveillance facility, the Hawthorne ammunition depot. The defense management review initiatives recommending the realignment of munitions facilities provides for even greater savings to be gained from a fuller utilization of the Hawthorne plant.

Mr. Chairman, Nevadans take pride in being part of the process to improve the environment through the destruction of obsolete defense ordnance. The backlog in the destruction of outdated military munitions further supports restarting the western area demilitarization facility known as WADF.

The Army has been doing a good job at Hawthorne. I value, though, Mr. Chairman, the opportunity to tell the Navy today how disappointed I am with the behavior of their personnel at the Fallon Naval Air Station. Their questionable activities at Fallon have managed to attract continual bad press in Nevada's newspapers both in the northern and southern part of the State.

Concerned Nevadans have swamped my office with anti-Navy mail. A considerable portion of my staff is now responding to this huge volume of Navy-related issues such as: Cleanup of Navy bombs on public lands, an operation they have entitled "Ugly Baby"; two, withdrawal of more Nevada land for Navy bombing ranges. It is said by some that the largest oilspill in the State of Nevada occurred at Fallon Naval Air Station; three, Navy noncooperation when negotiations reached settlement in northern Nevada's 80-year-old water dispute; four, Navy aircraft shooting at and harassing wild horses; and five, the Navy's interference with passage of the Nevada wilderness bill. I could go on, but that is a fair summation of what has been going on in recent months.

The former Joint Chiefs of Staff Adm. William J. Crowe once advised Secretary of Defense Cheney, "Think of the worst possible thing you can think of right now because somewhere in the United States in the military, somebody is doing it." From my viewpoint, Mr. Chairman, they have already done it at the Fallon Naval Air Station.

I expect the U.S. Navy in the future to be as good a tenant in Nevada as the Army and the Air Force.

Senator SASSER. Thank you very much, Senator Reid.

We are pleased to have before the subcommittee this morning the Army Chief of Engineers, Lt. Gen. Henry Hatch, who has had a long and distinguished career with the Army Engineers, including serving as a colonel of Army Engineers in Nashville, TN, a number of years ago. We are pleased to have you before us this morning, General Hatch. He is accompanied by Maj. Gen. Peter Offringa, the Assistant Chief of Engineers, and we are pleased to have you here with us this morning, General Offringa. Let me welcome you before the subcommittee and, Lieutenant General Hatch, you may proceed as you wish.

SUMMARY STATEMENT

General HATCH. Mr. Chairman and members of the subcommittee, I am again honored to appear before you today as we present the Department of Army's fiscal year 1991 military construction request.

The Army sincerely appreciates the support you have given us in the past, and I look forward to continuing the excellent working relationship that the Army has with this committee as you review our military construction program for fiscal year 1991.

Entering the 1990's this Nation faces a world undergoing dramatic and in many respects unprecedented changes. The Army is confronted today with the challenging task of adapting to the dynamics of change while at the same time ensuring that America's fundamental security needs are met. This process of adaptation will affect every level and every corner of the Army. It will affect not only the configuration and deployment of our forces here and abroad, but it will also have fundamental impacts on the Army's base structure and facilities.

As the Army reduces in size we must reduce our facilities' overhead. Our challenge and responsibility is to ensure that we make these reductions intelligently yet still guarantee that the Army has the infrastructure required to perform its mission and to sustain the quality living environment deserved by our soldiers and their families.

Our budget this year supports the Army's enduring imperatives that are essential to achieve a versatile, deployable, modern Army for today and the future. The fiscal year 1991 program is essential to support the recruiting and retaining of the quality soldiers that are critical to the Army to fulfill diverse worldwide commitments with a smaller contingency force.

The provision of and maintenance of suitable facilities goes a long way in our efforts to make the Army a suitable living and working environment for the young men and women we need to maintain a high state of readiness with the capability to accomplish our diverse missions.

The Army facilities strategy we present to you places a priority on operating, maintaining, revitalizing, and effectively utilizing our residual facilities inventory. Options we consider before we ask for construction include the NATO infrastructure program for Europe, host nation support programs in Japan and Korea, renovation and in some cases private sector financing.

The Army has, for example, initiated its first request for NATO infrastructure funding for construction in the United States. We need your continued support for these initiatives and an understanding that the Army of today as well as tomorrow has consciously chosen to emphasize maintenance and improvement of our existing inventory where needed and where it is cost effective to do so.

At the same time, our comprehensive project review will also ensure that scarce resources will not be directed to installations and facilities that may no longer be required. As an example we are critically reviewing what facilities should remain for mobilization.

Our hope continues to be that a substantial reduction can be made in the Army's World War II facilities inventory as a result of this review. In this period of austere funding, the Army will only retain the minimum inventory of facilities needed to support mission requirements.

Now, let me talk about this year's request. We have thoroughly reviewed our construction requirements for fiscal year 1991, and they stand as presented. The Army agonized over having to defer many valid construction requirements to future years. Nonetheless, we did so to ensure that no mistakes would be made and that only those construction needs validated by revised force structure levels were put forward at this time.

We seek your support for the projects submitted which meet current and future requirements and which are not impacted by current proposals for change, including force strength reductions, base realignments, and closures you approved last year, budget reductions on fiscal year 1991, and the new proposed base realignments and closures announced with the President's budget submission.

The Army also limited the amount of overseas construction in this request. We recognize the uncertainty of world conditions, but the fact remains that the Army of the nineties will continue to have some forward deployed forces, and we must provide facilities for them.

The Commanders-in-Chief participated in the development of the request, and they have pared their requirements down to only those locations that will remain under any scenario. A significant portion of this request is devoted to improving the Army's working and training environment. As the Army force structure reduces, state-of-the-art facilities will play a large part in keeping our soldiers ready to fulfill worldwide requirements.

The Army also continues, in this request, quality of life initiatives for troop housing and community activities. The level is constrained, however, by the force structure uncertainties and the availability of total Army resources.

In our fiscal year 1991 request Army family housing remains one of our top priorities. This reflects our commitment to provide suitable housing for our soldiers and to promptly maintain the housing we own. I must say this request does not provide adequate resources to complete post acquisition construction improvements or adequate maintenance and repair required to meet our current cost of ownership. As a result, the level of deferred maintenance and repair will continue to increase.

This brief overview of our fiscal year 1991 request covers the basics of our program and some of our concerns about Army facilities. Maj. Gen. Peter Offringa, my Assistant Chief of Engineers, will discuss more of the specifics of this budget request. Before he does so, if I may, Mr. Chairman, to put the Army's request into a DOD context that you and other members have clearly summarized in your opening remarks, as indicated the DOD Milcon request, in current dollars, does, in fact, represent a 7-percent increase over fiscal year 1991 appropriations.

The Army Milcon request, however, represents a minus 1.8 percent change from the appropriations for Army Milcon of last year. In terms of real growth, Army Milcon registers a minus 4.5 percent. If we exclude family housing, that real growth for military construction is minus 7.6 percent.

And, sir, I will turn the continuation of our opening statements over to General Offringa.

STATEMENT OF PETER J. OFFRINGA

General **Offringa**. Thank you, Mr. Chairman. It is a pleasure to be with you again. And with your permission, I would put my formal statement in the record and show you a series of slides that I think will highlight and illustrate the Army's 1991 budget submit.

Facilities Strategy

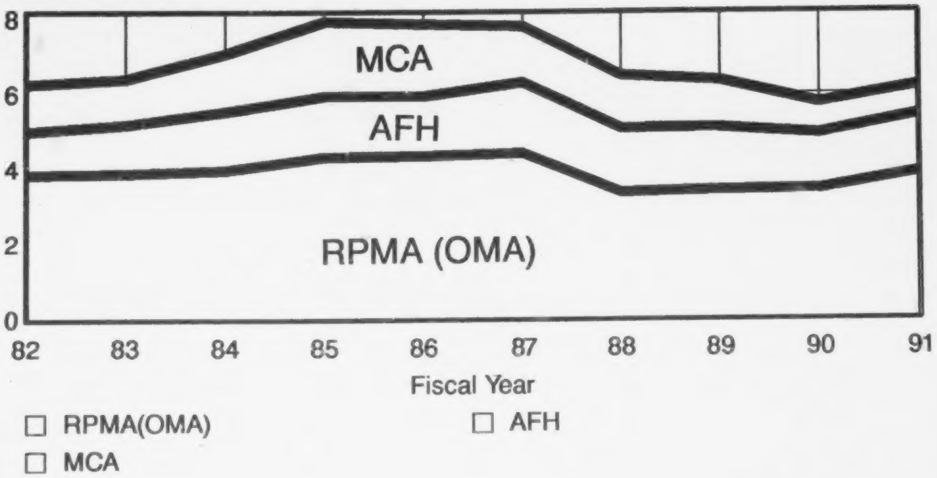
Maximize use of existing facilities.
Meet regulatory/environmental concerns.
Maintain what we own and revitalize facilities at a prudent rate.
Contain maintenance and repair backlogs.
Build facilities for new mission requirements.

This first slide shows the facilities strategy that General Hatch referred to, and it shows, again, our commitment to maximize our use and maintenance of existing facilities to contain our maintenance and repair backlogs and to build new facilities only when new mission requirements absolutely demand it.

Total Facilities Trend

RPMA, AFH, MCA

$ Billions (FY90 $; 2.03 DM/$)

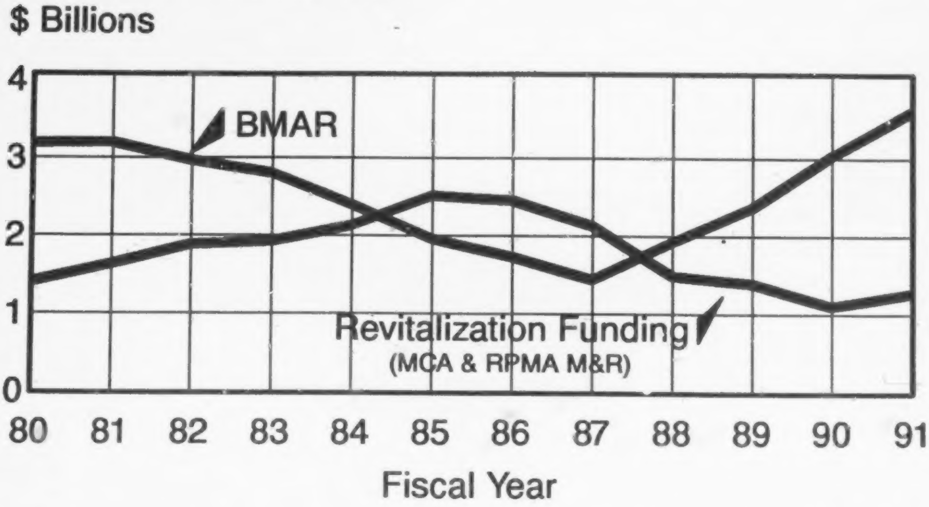


This colored chart shows the facilities' strategy and practice. It shows a totality of the Army's facilities trends over the last 10 years, showing on the bottom our "Repair and maintenance" account in green; our "Army family housing" account in blue, stacked on top of that; and finally, our "Construction and investment" account, stacked on top.

As you can see, in accordance with our strategy, we have been increasing the percentage of our overall facilities funding which has gone to repair and maintenance and to family housing operations. And our investment has declined somewhat as a result.

Facilities Revitalization

Can we meet the challenge again?



If one were to take the revitalization portion of our total funding, which we define as our current mission military construction, and the project portion of our repair and maintenance, one can see that since 1986 we have been on a decline in revitalization funding for our aging facilities.

As a result, the yellow line, called backlog of maintenance and repair, has begun to rise precipitously. It is our challenge in the future to flatten that rise and to deal with that backlog before it becomes a bill that we will pass on to our future generations.

MILITARY CONSTRUCTION SUMMARY APPROPRIATIONS

[In millions of dollars]

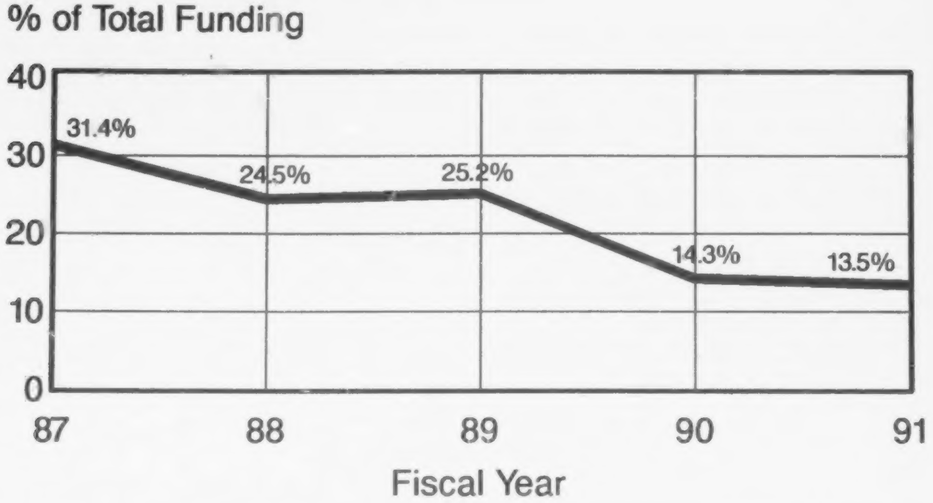
	Fiscal year—			
	1988	1989	1990	1991 request
MCA	1,295	1,182	816	775
AFH	1,607	1,587	1,454	1,554
HOA	3	2	5	5
Total	2,905	2,771	2,275	2,334

This shows the military construction request as compared to the last 3 years. Our military construction, MCA, is slightly less than last year, our family housing, a little bit more, and our homeowners assistance about constant.

I would point out on the homeowners assistance program, that implementation of any of the Secretary of Defense's January 29, 1990, proposals would require an increase in the homeowners assistance line.

Overseas MCA Program

(Compared to Total MCA)



The next slide illustrates the overseas program. And as you can see, it has declined dramatically in the last 2 years. This year's request represents only 13.5 percent of our overall construction request.

And again, we have focused on those areas that we feel have long-term tenure in spite of any force structure scenario, such as our training areas, our best brigade bases, and our logistic support areas.

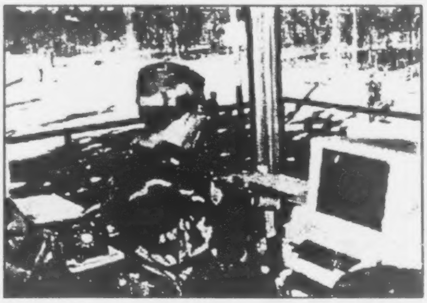
MCA PROGRAM BY CATEGORY OF FACILITIES

[Category/percent of program]

	Approved			Requested
	1988	1989	1990	1991
Operations and training	31	33	24	23
Maintenance	15	27	22	33
Unaccompanied housing	12	5	7	3
Community	5	4	8	7
Supply and administration	8	6	14	6
RDTE	4	3	6	9
Utilities and real estate	13	7	7	7
Design/minor/other	11	14	11	13

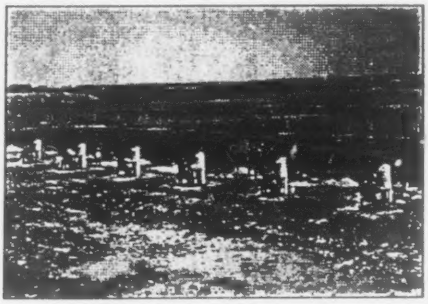
If we break the program out by categories, our operations and training areas have remained about constant in 1991 compared to previous years. We have increased the amount of money which we have put into our maintenance facilities in accordance with our focus on improving the quality of life of our soldiers.

Modified Record Fire Range



New Automated Facility
at Fort Jackson, S

Current Facility at Fort Hood, TX



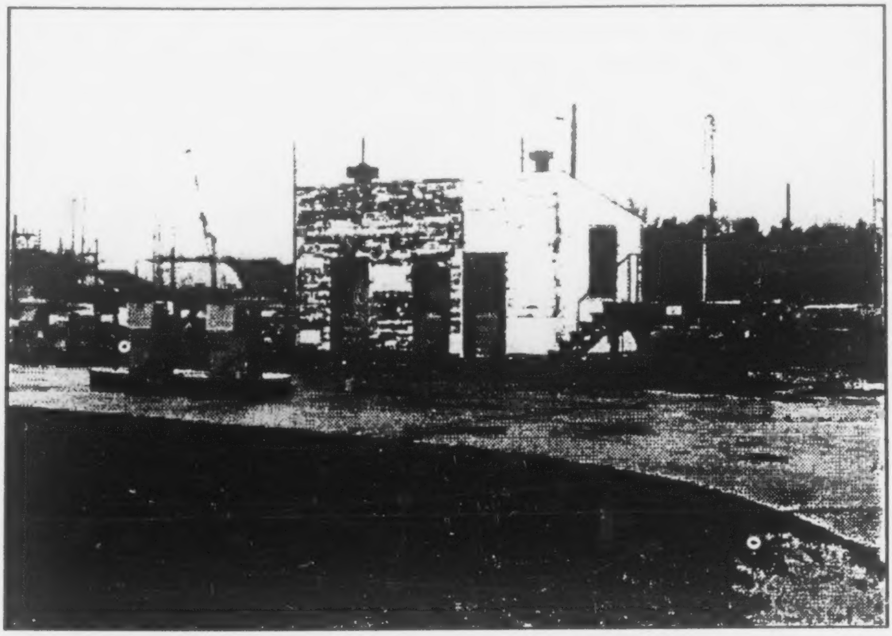
I would like to show you a few pictures of some of the things that are included in those categories. This slide shows a current facility range at Fort Hood, TX. You can note that this is a 1950-vintage range, very labor intensive, because we have to use soldiers to sit and score other soldiers.

What we would like to do is replace this range with one of the new computer-modernized ranges that allows the soldiers to go down the range without having to have other soldiers score them.

It maximizes the use of our soldiers' training time and provides them immediate feedback, in that when they return from their range run they can get a computer printout of exactly how they did, what they did wrong, and we can get the benefit of immediate feedback and improved training.

Central Fuel Storage Facility

Fort McCoy, WI

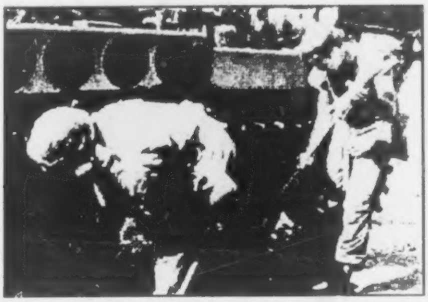


Current Facility

This shows a facility at Fort McCoy, WI, that is used for fuel storage and dispensing. This facility is no longer in compliance with environmental requirements. It does not have the right capacity to support our Active and Reserve components who use Fort McCoy heavily as a training area.

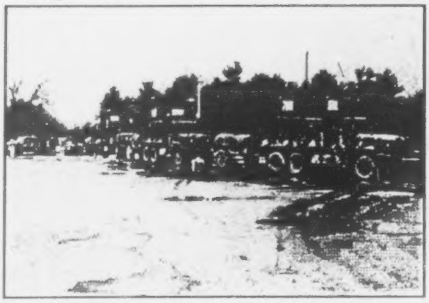
Central Wash Facility

Fort McCoy, WI



Inefficient Operations

Long Lines



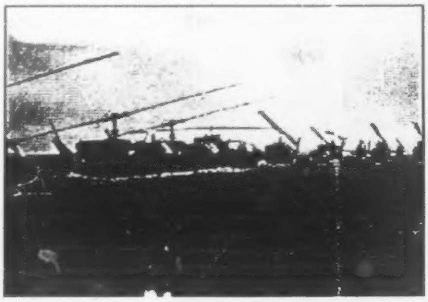
Similarly, at Fort McCoy, for both Active and Reserves, we are requesting funding to improve the central wash facility to avoid the long lines of vehicles and wasted soldier time shown in the slide, and to eliminate the labor-intensive hand-cleaning of armored vehicles that is required because we only currently have low-pressure garden hoses to wash the mud off the vehicles.

Extensive wash time, of course, is time that is diverted from training. And given the limited time that our Reserve components have to use these facilities, we would like a way to maximize their training time while they are at facilities such as Fort McCoy.

Aviation Unit Maintenance Hangar

Fort Carson, CO

Inside Hangar



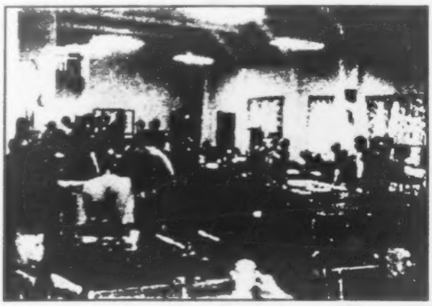
Parking Apron
Inadequate Facilities for
New 4-Blade Helicopters

We are continuing to field our AH-64 Apache helicopters. This slide shows a maintenance hangar and a parking apron at Fort Carson, CO, that is inadequate to handle the additional aircraft that are coming with the fielding of a new AH-64 battalion. We definitely need facilities to properly maintain these very expensive and sophisticated aircraft.

Recreation Center

Fort Benning, GA

Exterior



Interior

This facility at Fort Benning probably brings back nostalgia for those of you who remember World War II. This is an old World

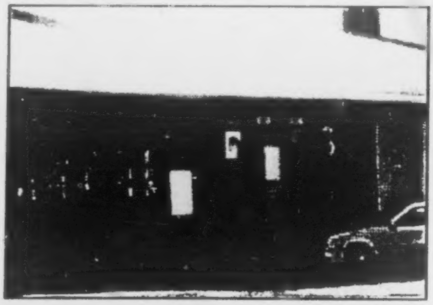
War II recreation center. It is used for basic training troops. As you can see, it is quite crowded and antiquated.

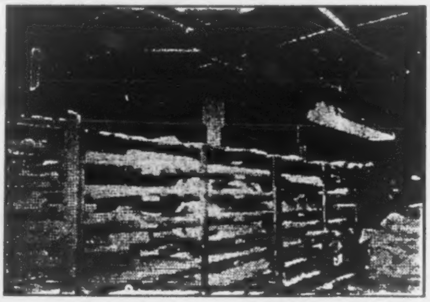
This is the only facility within about 10 miles for the soldiers to use, and we would like to replace it with a modern facility for their recreation.

Installation Map Depot

Fort Bragg, NC

Exterior



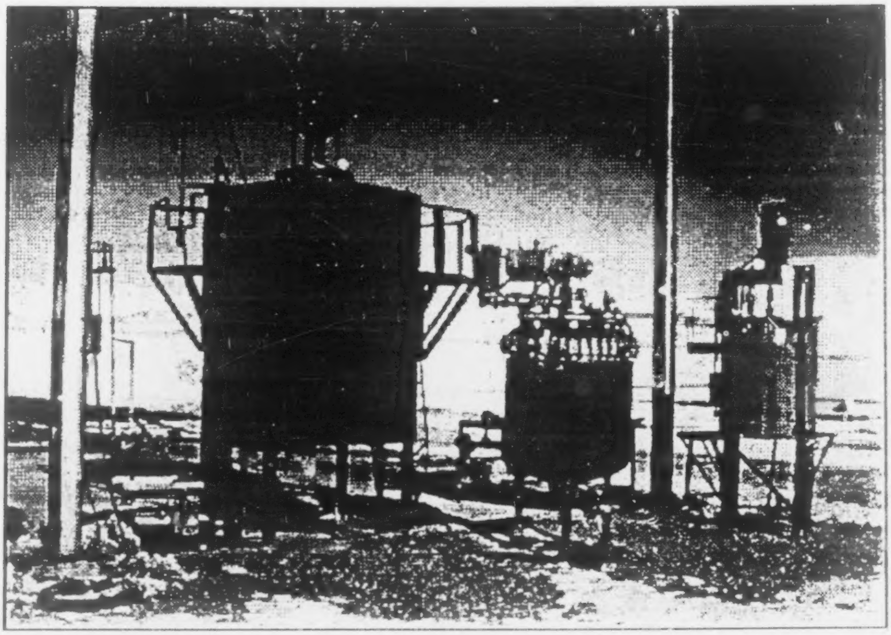


Inefficient, Deteriorated Facility

At Fort Bragg, NC, we store the maps for the contingency corps in this facility. As you can see, the interior of that facility does not allow us to store the maps in any sort of efficient way. We have hundreds of thousands of dollars worth of maps, and we would like to replace this with a good storage facility that will allow us to expand our inventory and to properly store it.

Simulant Mixing Facility

Dugway Proving Ground, UT



Inadequate Facility & Environmental Controls

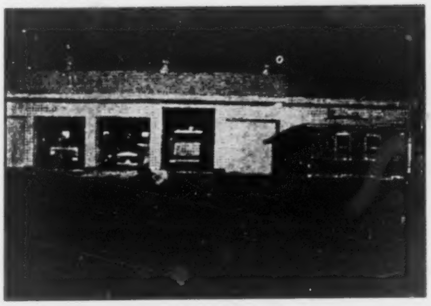
At Dugway Proving Ground, where we do a lot of our chemical testing, we mix our simulants in an outdoor mixer that reminds you of the paint mixer at the local hardware store.

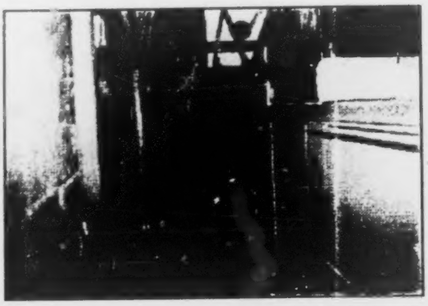
Because we do not have adequate protection for personnel, they have to wear their protective moonsuits while they do this mixing. We would like to replace this mixer with a state-of-the-art facility that will make sure that we are providing adequate safeguards for people that work with these kinds of materials.

Fire Station

Fort Ben Harrison, IN

Exterior





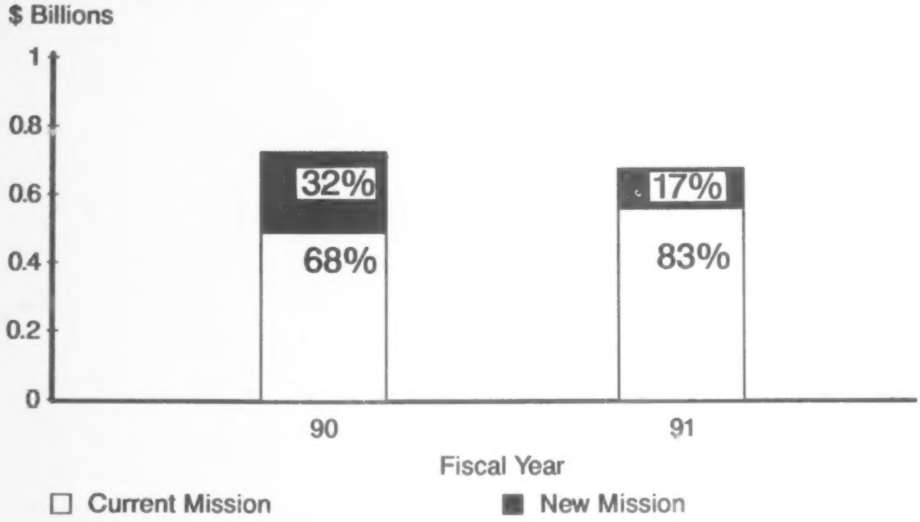
Inadequate Space

At Fort Ben Harrison and a number of other installations we are trying to replace some antiquated fire stations. As you can see, the advances in the size of fire trucks have made them so large that they barely fit into our facilities. It is so small now that oftentimes our fire personnel cannot get the doors open wide enough to rapidly get into the vehicles and respond to fires.

Major Program Highlights

New Mission / Current Mission

(Excludes UMMCA, P&D)



I would like to now point out a few major program highlights. I will divide them into two categories, current mission and new mission, pointing out that our percentage of current mission has increased significantly in our 1991 request, in line with our emphasis on revitalization of our existing facilities.

I would anticipate that this trend will continue in future budgets.

FISCAL YEAR 1991 NEW MISSIONS

Mission/location	Number of projects	Millions
Chemical demil: Anniston AD, AL and Tooele AD, UT	3	$76
6th Infantry Division, Fort Wainwright, AK	2	6
NBC defense, Pine Bluff, AR	1	2
National Training Center, Fort Irwin, CA	1	4
MLRS/unit activation, Fort Bragg, NC	2	13
ATACMS, Germany	1	5
AH-64, Germany and Korea	3	11

In our new mission category, the facilities shown on this slide represent all the projects within that arena. I would make a few comments on selected projects. The chemical demilitarization request of $76 million includes a facility at Anniston Army Depot for a demilitarization facility.

The baseline cost for that facility is $54 million. As you know, we are continuing to incorporate into that facility, test data from our tests out at Johnson Island, and also design data as we refine the design, particularly of the containers that carry the chemical munitions from the storage area to the disposal facility.

I would anticipate that in future budgets that we will be requesting additional funds to incorporate these changes.

The next to the last facility, the ATACMS (Army tactical missile system) facility in Germany is a munitions surety facility that allows us to periodically survey the ATACMS missiles that are in Germany. It precludes us having to ship them back to the States.

The annual costs of shipping them back to the States would be $16 million. We feel that there are significant savings here and that it makes sense to build a facility in Germany to do that surveillance testing.

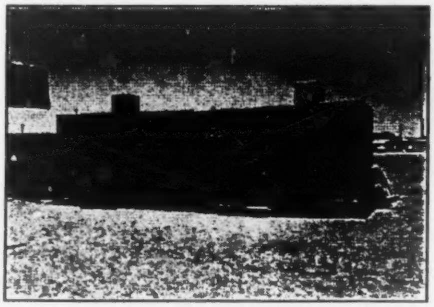
The AH-64 facilities at the end of this slide are the final facilities to support the AH-64's that we have already provided to Germany and Korea. One of these is a simulator that will save us tremendous amounts of flying time, and will pay for itself in several years.

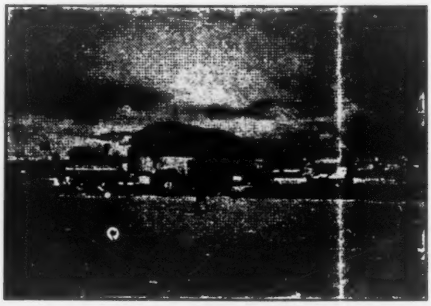
I will highlight a few of these facilities with pictures.

Hardstand/Tactical Equipment Shop

Fort Irwin, CA

Office



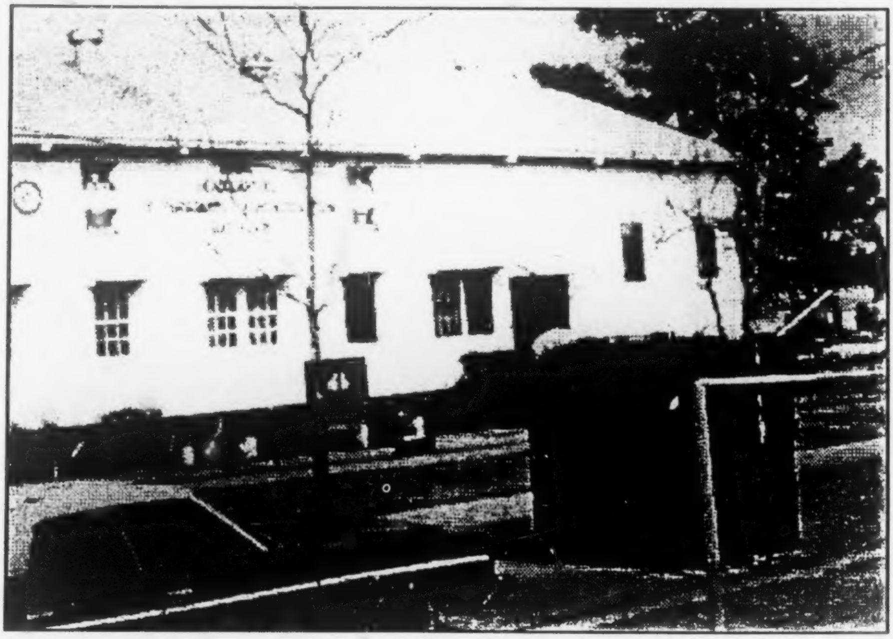


Maintenance Shop

One of the facilities that was shown on our new mission list was a maintenance facility for the engineer force which is part of the opposing force at Fort Irwin. As you can see, this force has no maintenance facilities at all. They use the military van, as their office, and a tent for their maintenance shop, and desperately need facilities in order to appropriately and correctly maintain their vehicles.

Battalion Headquarters

Fort Bragg, NC



Current Facility

A battalion headquarters was highlighted at Fort Bragg for the MLRS battalion that will get us out of this old and inefficient World War II wood facility.

Fiscal year 1991 current mission

Major construction projects:	
General Instr Bldg, Fort Leavenworth, KS	$34,000,000
Toxicology Research Fac, Aberdeen PG, MD	33,000,000
Maintenance Facility, Fort Bragg, NC	32,000,000
Ctr for Strategic Wargaming, Carlisle Bks, PA	25,000,000
Multi-Purpose Range Complex, Fort Knox, KY	23,000,000
Modernize Sewage Treatment Plant, Fort Sill, OK	22,000,000
CMTC Enhancements, Hohenfels, GE	18,000,000

Under current mission, the facilities shown on this chart represent the major projects within our current mission category.

Again, I would like to make some comments on a few of them. The general instruction building at Fort Leavenworth, KS, will accommodate the increase in officer training that results from the closing of the Armed Forces Staff College at Norfolk, and would provide some state-of-the-art facilities for the training of our future leaders during this time of force structure reductions.

The facility for the director of logistics at Fort Bragg, the third listed facility, replaces an old, outdated World War II facility that currently is supporting area maintenance not only for the active troops, but for the Reserve components throughout that area.

I would note that we have a similar lower cost facility that is in the program for Fort Sam Houston that would provide similar area support for Active and Reserve components.

Finally, the Center for Strategic War Gaming at Carlisle Barracks, PA, would provide a much-needed laboratory for the students who currently are at the war college, so that they would have a war gaming facility for the practical application of what they learn in the classroom.

General Instruction Building

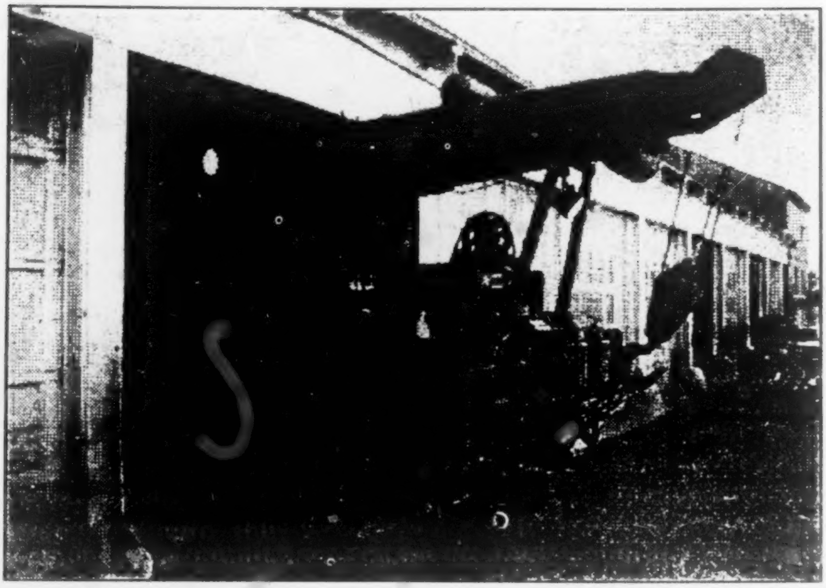
Fort Leavenworth, KS

Existing Facilities

This shows the facilities that we would replace at Fort Leavenworth with the general instruction building. One is an old horse stable. They are inadequate for the students, in terms of lighting and space. We desperately need something in which to expand to properly train our soldiers.

Maintenance Facility (Phase I)

Fort Bragg, NC



Existing Facility

I mentioned the maintenance facility at Fort Bragg, and I think this picture demonstrates why we need that facility. The current building was built at the time when the Army had much smaller vehicles. Our vehicles just do not fit into the facilities that we currently have.

Child Development Center

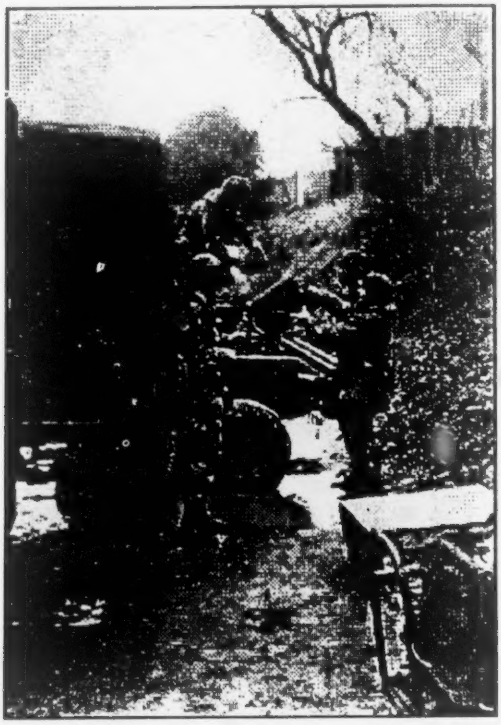
Carlisle Barracks, PA

Current Facility

We have three child development centers within the program. This shows one at Carlisle Barracks, PA. It is in the basement of an apartment building. It does not provide adequate facilities for child care in that it has security problems because it shares a common use hallway with the apartment dwellers who live there.

Hardstand & Wash Facility

Heilbronn, Germany



At Heilbronn, Germany, we need a support facility for the communications that will be there regardless of the force levels that we have. This organization is currently in the mud and is going to receive over 1,000 new vehicles with sophisticated multisubscriber radios on them.

Tactical Equipment Shop

Fort Benning, GA

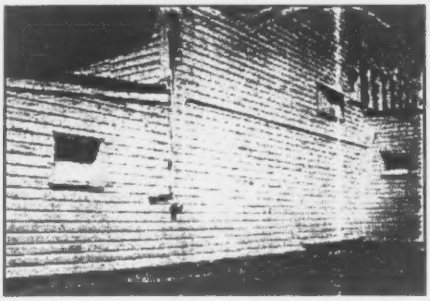
Existing Shop

At Fort Benning, we have a tactical equipment shop which was built in World War II and no longer will take the howitzers that we now have.

Physical Fitness Training Center

Fort Sam Houston, TX

Interior



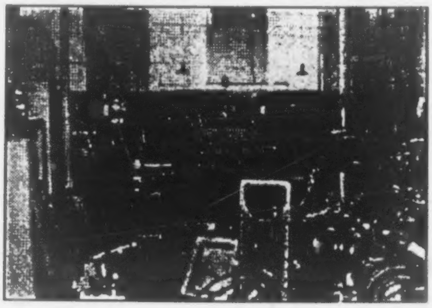
Exterior

This shows an old physical fitness training center at Fort Sam Houston, TX, which we would like to replace with a modern physical fitness center.

Consolidated Maintenance Facility

Fort Sam Houston, TX

Maintenance Bay



Engine Shop

This is the consolidated maintenance facility at Fort Sam Houston, that supports both Active and Reserves. Because the overhead lifting capability has failed, we must change engines by bringing in yellow lift vehicles, such as the one shown in the picture, in order to get the engines out.

Range Control Facility

Fort Hood, TX

Current Facility

Range Vehicle Repair Shop

And finally, at Fort Hood, we have an outdated range control facility that is inadequate to maintain the 32 sophisticated ranges that we currently have.

This slide shows the interior of that facility, and the engine repair shop that is associated with it.

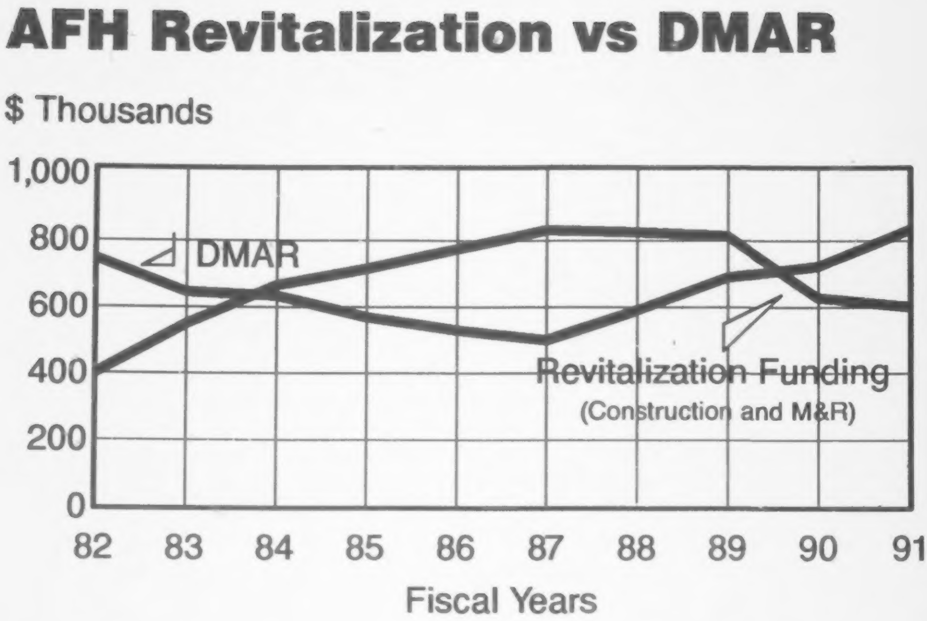
ARMY FAMILY HOUSING PROGRAM

AFH PROGRAM STRATEGY

Fund cost of ownership.
Reduce deferred maintenance and repair (DMAR).
Improve existing inventory.
Eliminate programmable deficit.

I might just say a word on family housing as I wrap up. This slide shows a strategy for family housing that is very similar to the strategy that we use for our facilities, again, funding our cost of ownership and maintaining our facilities.

The comparison over last year shows that our operations and maintenance accounts have increased, and our investment accounts have declined slightly in line with our strategy.



And again, as a result of a reduction in revitalization funding and investment, shown again by the white line, our deferred maintenance and repair in our housing is increasing in the out-years, and again, presents a challenge to us as we program our long-range funding.

AFH construction

[Fiscal year 1991]

Investment	*Number of units*
Builds new units in Hawaii	138
Upgrades/replaces substandard	52
Renews units	1,054
Air conditions units	893

We are doing very little new investment, primarily focused in Hawaii, which is our area of biggest deficit. Our renewals are down this year. And this, frankly, is the area that concerns me most within our housing, because we are not renewing our units at anywhere near the rate that we need to in order to keep them up with modern standards.

AFH OPERATIONS

Fiscal year 1991 funds operations: Essential operations at 100 percent; maintenance and repair at 87 percent; DMAR reduction at 0 percent; leasing at 100 percent; and Government rental housing program, 19,200 leases.

In the operations arena, in line with our strategy again, we are funding essential operations at 100 percent. At only 87 percent of our maintenance and repair funding, our backlogs will continue to rise.

The Government rental housing program, I would point out, at 19,000 leases which we are in the midst of executing now, is providing us needed flexibility as we make force adjustments in Europe, because it does not tie us into long-term leases.

ARMY FACILITIES SUMMARY

Minimal funding levels—strategy focuses on highest payoff.
Force reductions and realignments—facilities accounts under review.
Revitalization—primary thrust for construction.
Living and working conditions—provide essential facilities.

And so, in summary, our facilities strategy has led us during a period of minimal funding levels to focus on areas of highest payoff, to review very carefully our facilities to make sure that they are in line with force reductions and realignments, to focus on revitalization as our primary thrust, and to provide essential facilities for living and working conditions.

Sir, this concludes my statement, and General Hatch and I are pleased to answer any of your questions.

PREPARED STATEMENTS

Senator SASSER. Thank you. We will insert your statement along with Lieutenant General Hatch's statement in the record at this point.

[The statements follow:]

STATEMENT OF LT. GEN. HENRY J. HATCH

Mr. Chairman and Members of the Subcommittee. I am Lieutenant General Henry Hatch, the Chief of Engineers. I am pleased to appear before you today to present the Department of the Army's fiscal year 1991 Military construction request. As you know, I have had the opportunity to appear before you several times to discuss the Army's facilities programs. The support you have given us in the past is sincerely appreciated and I look forward to continuing the excellent working relationship that the Army has with this committee as you review our Military Construction program for fiscal year 1991.

Entering the 1990's, this nation faces a world undergoing dramatic and, in many respects, unprecedented changes. The Army is confronted today with the challenging task of adapting to the dynamics of change while, at the same time, ensuring that America's fundamental security needs are met.

This process of adaptation will affect every level and every corner of the Army. It will affect not only the configuration and deployment of our forces here and abroad, but it will also have fundamental impacts on the Army's base structure and facilities. As the Army reduces in size, we must reduce our facilities overhead. Our challenge and responsibility is to ensure that we make these reductions intelligently yet still guarantee that the Army has the infrastructure required to perform its mission and to sustain the quality living environment deserved by our soldiers and their families.

Our budget this year supports the Army's six enduring imperatives that are essential to achieving a versatile, deployable, modern Army for today and the future. The fiscal year 1991 program is essential to support the recruiting and retaining of the quality soldiers that are critical to the Army to fulfill diverse world-wide commitments with a smaller contingency force. The provision of and maintenance of suitable facilities goes a long way in our efforts to make the Army a suitable living and working environment for the young men and women we need to maintain a high state of readiness with the capability to accomplish our diverse missions.

The Army facilities strategy we present to you places a priority on operating, maintaining, revitalizing, and effectively utilizing our residual facilities inventory. Options we consider before we ask for construction include the NATO Infrastructure program for Europe, Host Nation Support programs in Japan and Korea, renovation, and, in some cases, private sector financing. The Army has, for example, initiated its first request for NATO Infrastructure funding for construction in the United States. We need your continued support for these initiatives, and an understanding that the Army of today as well as tomorrow has consciously chosen to emphasize maintenance and improvement of our existing inventory where needed and where it is cost effective to do so. At the same time, our comprehensive project review will also ensure that scarce resources will not be directed to obsolete facilities which may no longer be required. As an example, we are reviewing what facilities should remain for mobilization. Our hope continues to be that a substantial reduction can be made in the Army's World War II facilities inventory as a result of this review. In this period of austere funding, the Army will only retain the minimum inventory of facilities needed to support mission requirements.

Let me talk about this year's request. We have thoroughly reviewed our construction requirements for fiscal year 1991 and they stand as presented. The Army agonized over having to defer many valid construction requirements to future years. Nonetheless, we did so to ensure that no "mistakes" would be made and that only those construction needs validated by revised force structure levels were put forward at this time. We seek your support for the projects submitted which meet current and future requirements and which are not impacted by current proposals for change, including force strength reductions, base realignments and closures you approved last year, budget reductions on fiscal year 1991 and the new proposed base realignments and closures announced with the President's budget submission.

The Army also limited the amount of overseas construction in this request. We recognize the uncertainty in world conditions, but the fact remains that the Army of the 1990's will continue to have forward deployed forces, and we must provide facilities for them. The Commanders-in-Chief participated in the development of this request, and they have pared their requirements down to only those locations that will remain under any scenario.

A significant portion of this request is devoted to improving the Army's working and training environment. As the Army force structure reduces, state-of-the-art facilities will play a large part in keeping our soldiers ready to fulfill world-wide commitments. The Army also continues, in this request, quality of life initiatives for troop housing and community activities. The level is constrained, however, by the force structure uncertainties and the availability of total Army resources.

In our fiscal year 1991 request, Army family housing remains one of our top priorities. This reflects our commitment to provide suitable housing for our soldiers and to properly maintain the housing we own. I must say that this request does not provide adequate resources to complete post-acquisition construction improvements or adequate maintenance and repair required to meet our current cost of ownership. As a result, the level of deferred maintenance and repair will continue to increase.

This brief overview of our fiscal year 1991 request, covers the basics of our program and some of our concerns about the Army's facilities. Major General Peter Offringa, my Assistant Chief of Engineers, will discuss more of the specifics of this budget request.

We look forward to our work with you as we strive to provide our soldiers and their families the best possible facilities in this time of uncertainty and austerity. Mr. Chairman and members of the subcommittee, we request your continued support to meet the Army's needs in these challenging times.

BIOGRAPHY OF LT. GEN. HENRY J. HATCH

Lieutenant General Henry J. (Hank) Hatch became the 47th Chief of Engineers and Commander of the U. S. Army Corps of Engineers on June 17, 1988, following his nomination by President Reagan and confirmation by the United States Senate.

Corps of Engineers' responsibilities include military construction for both the Army and Air Force, and the Army's national water resources program which includes comprehensive water resource planning, design, construction, operation and maintenance for navigation flood control and other purposes. The Chief of Engineers serves as the senior engineer for the Army providing staff supervision of the Army's worldwide facilities engineering and family housing activities. Additionally, the Corps has four engineering-related research and development centers in the United

States. Army facilities and Corps programs total over $13 billion per year.

Prior to his selection as the Chief of Engineers, General Hatch served as the Director of Civil Works in the Corps headquarters and as the Assistant Chief of Engineers in the Pentagon.

General Hatch graduated from the U.S. Military Academy at West Point in 1957, and has received a Master of Science degree in Geodetic Science from the Ohio State University. His military education includes the Engineer Basic and Advance Officer Courses, the U.S. Army Command and General Staff College and the U.S. Army War College.

He has served in a variety of important command and staff assignments in the United States and overseas. These include serving as the Engineer for the U.S. Army in Europe; Commander of the Corps' Pacific Ocean Division in Hawaii; Commander of the 2nd Infantry Division Support Command in Korea; Commander of the Corps' Nashville District; Staff Officer in the Office of the Army Chief of Staff in Washington; Commander of the 326th Engineer Battalion, 101st Airborne Division in Vietnam; and an Instructor and Assistant Professor at West Point.

Among his military awards and decorations are the Legion of Merit, two Meritorious Service Medals, two Bronze Star Medals, three Air Medals, and two Army Commendation Medals. He is also a Ranger, master parachutist and wears the Army Air Assault Badge.

General Hatch was born in Pensacola, Florida, and is married to the former Shelley Hollister. They have three children, Cynthia, Henry J. III, and Earl. He is a registered professional engineer in the District of Columbia, a member of the Society of American Military Engineers and Tau Beta Pi, a licensed lay reader in the Episcopal Church, and an avid runner.

STATEMENT OF MAJ. GEN. PETER J. OFFRINGA

Mr Chairman and Members of the Subcommittee. I am Major General Peter J. Offringa, Assistant Chief of Engineers, Office of the Chief of Engineers, Department of the Army.

I am pleased to return this year to present the Army's portion of the Military Construction Appropriation Request for fiscal year 1991. This program will provide adequate facilities for today's Army to carry out its worldwide defense mission. The program presented requests appropriation for Military Construction, Army of $774,900,000 in fiscal year 1991, and for Army Family Housing, which will be discussed in a separate hearing, we request appropriation of $1,554,450,000 in fiscal year 1991. A request for appropriation of $5,100,000 for the Homeowners Assistance Program is also included.

This budget represents a substantial reduction from prior year requests due to the fiscal constraints that we are jointly experiencing and reflects the responsiveness to changing world and domestic conditions. However, it will sustain some of the efforts started in prior years to improve the operational readiness of the Army and protect some of the essential sustainability requirements. At the same time, this program will provide some of the quality of life improvements necessary to attract and retain dedicated individuals to service in the Army thus attempting to minimize the turbulence in recent force structure actions.

The fiscal year 1991 budget represents our efforts to develop a logical, executable program that will present a stable environment for more efficient operations. This year the Army's budget emphasizes maintaining the readiness of the existing force and ensure that the existing force's sustainability is protected while continuing to provide some modernization, investment and quality of life resources. We were guided by the need to maintain quality soldiers to fulfill the diverse world-wide commitments with a smaller Army worldwide and by the need to provide them with tough, realistic training and competent leaders to carry out the Army's mission.

Once again, the warfighting Commanders-in-Chief participated in the development of this program and the priorities to provide mission essential facilities through their major Army commands. We believe that their involvement has assisted in placing a proper priority mix to meet a minimum of the warfighting needs of Army's forward deployed units as well as the needs of those organizations in the United States. In addition, this budget has seven projects at three locations that basically provide basic support to reserve component training throughout the year.

Now with your permission, I would like to review our facilities strategy as it affects our adherence to the six fundamental imperatives that are essential to achieving the versatile, deployable and lethal force that is required of today's Army. Our mission is to meet the demands of providing quality soldiers with solid doctrine within the appropriate force mix. Moreover, we must provide tough realistic training with competent, confident leaders and continued modernization. Our budget supports our National objectives within the reduced resources available to insure we attract, train, equip and retain the best soldiers in this period of force structure changes.

FACILITIES ACQUISITION STRATEGY

The Military Construction, Army (MCA) program constitutes 1.0 percent of the total Army budget request in fiscal year 1991 while the Army Family Housing program represents 2.0 percent of the total Army budget. These funds finance a portion of the new construction and revitalization of the facilities our soldiers need to live, train and maintain sophisticated equipment. The housing funds also provide for the operation and maintenance of our family housing facilities. Our request provides a balance of facilities and family housing operation and maintenance needed to satisfy the many requirements of today's Army within the funding constraints.

As we analyze the facility requirements for weapon systems being fielded and force structure being stationed, all feasible alternatives are considered. As the Assistant Chief of Engineers, I am responsible for planning and programing for the facilities support including Military Construction, Army (MCA), Real Property Maintenance Activities (RPMA) and Family Housing (AFH) programs. We have developed a Facilities Strategy to guide us in the application of the funds available in these three accounts. The Army's strategy, in priority, is to maximize the use of existing facilities, to meet regulatory and environmental requirements, to maintain what we own and revitalize facilities at a prudent rate, contain maintenance and repair backlogs, and to build facilities for new mission requirements.

Prior to submitting this budget to you, we made adjustments within the Army to provide more funds to the RPMA program, which is authorized by another committee of this Congress. This is in keeping with our strategy to take care of what we have before building new. Our decision to provide a new facility is made only after a detailed analysis of the alternatives concludes that there is no other economically acceptable alternative. Thus, projects that are classified as facility upgrade or modernization do not have a lower priority, they merely present the optimum alternative as the facilities strategy is applied.

The many facility demands on the fiscal year 1991 budget are reflected in the 1991 MCA request with over sixty-five percent of the program supporting mission related projects, such as operation, training, maintenance and RDT&E facilities. Additionally, over fifteen percent will go to support facilities such as supply, unaccompanied housing and community facilities. The remaining balance will provide utilities, design, and minor construction. All of this construction is essential for the Army to successfully perform its mission and care of its people.

In the family housing area, our thrust is to operate and maintain what we own with over sixty-eight percent in fiscal year 1991 request going to pay operations, utilities and maintenance expenses. An additional twenty-eight percent in fiscal year 1991 will pay for the leasing of additional homes to provide adequate housing for our military families with a corresponding offset to the Military Personnel, Army (MPA) account. The remaining will be used to revitalize the current inventory through improvements, construct new homes, plan and design future projects, and make payments on the remaining Wherry housing debt.

Now, with your permission I will present the details of the fiscal year 1991 MCA program, highlight selected initiatives and show the balance to provide support for the total Army. First, let us look at the geographical distribution of the request.

GEOGRAPHICAL DISTRIBUTION HIGHLIGHTS

UNITED STATES

Our budget request inside the United States provides $572,287,000 for fiscal year 1991 construction projects. This is approximately seventy-four percent of the request. The projects are located at installations in 23 states in fiscal year 1991. Projects totaling more than $20 million in construction in fiscal year 1991 are located in each of the following states: Alabama, Colorado, Kansas, Kentucky, Maryland, North Carolina, Oklahoma, Pennsylvania, Texas and Wisconsin.

EUROPE

Our construction program for the United States Army, Europe (USAREUR) totals $63,493,000 for fiscal year 1991. This program is an austere program especially when considered in light of the deplorable conditions in which many of our soldiers live and work. Although future stationing requirements are still being discussed, the fiscal year 1991 program represents the long term requirements for our soldiers that are stationed in Europe and focuses on those locations where the Army will continue to operate even if there are stationing changes. Approximately sixty percent of the request is at three communities which are essential to all conceivable future stationing plans -- Vilseck, Grafenwoehr and Hohenfels. The relocation of ground combat units to Vilseck is continued in the request for fiscal year 1991. Projects submitted are necessary to provide and improve the training at Grafenwoehr. Establishment of the Combat Maneuver Training Complex (CMTC) at Hohenfels will allow USAREUR armor and mechanized infantry battalions to train in a realistic battlefield environment. The construction included in this request will provide the support facilities necessary to make Hohenfels a fully operational, realistic training facility for our forward deployed combat units in USAREUR. Training at Hohenfels will continue even with changes in future stationing in Europe.

The size of our program in Europe is small in relation to past year programs and is substantially reduced from original 1991 plans. This budget request of $63,493,000 is over $161,000,000 less than originally requested for fiscal year 1991. The requirements in this program represent the Army's response to major facility concerns of the Commander-in-Chief of U.S. Army, Europe and help sustain continuation of major U. S. initiatives in that theater. Marked improvements have been made, thanks to the support of Congress and the Administration. This program will provide facilities at those locations the Commander-in-Chief has indicated will be long term requirements. The budget represents a prudent balancing of requirements and support for our deployed soldiers as well as a responsible stewardship of our constrained resources in light of the changing political and economic environment in Europe.

Emphasis in the program is on operations, maintenance, supply and training, with 9 of the 18 projects in fiscal year 1991 in these categories. The program also supports utilities improvements, and quality of life, with 7 projects dedicated to community support type projects at long term communities. All of these facilities will substantially improve the conditions for our soldiers who have accepted rigorous assignments at these forward deployed locations.

These issues have the full support of the Commander-in-Chief (CINC), U.S. Forces, Europe. The fact that the fiscal year 1991 request for Europe represents eight percent of the Army request is a result of strong CINC involvement with the Military Construction program in Europe.

WESTERN PACIFIC

The Army continues to support its commitment in the Western Pacific with a $41,940,000 fiscal year 1991 request in support of the Eighth U.S. Army in Korea and the U.S. Army, Japan. I must mention that the Pacific area, unlike other areas of the world, is not going through the great democratic changes we have seen over the past few months in Europe. Therefore, this program provides the facility support to the major initiatives of the Commander-in-Chief of U.S. Forces in Korea especially for our soldiers close to the Demilitarized Zone (DMZ). The budget also provides for essential ammunition storage and a flight simulator for new attack helicopters. These projects are not eligible for Host Nation Support since only warfighting projects are currently funded by the Korean Government. In Japan, we are requesting two projects, ammunition surveillance facility and ammunition storage, which do not qualify for Host Nation Support but are essential to correct the current safety violations in the facilities now in use. These projects will provide a safe working environment and reduce the possibility of a catastrophic accidental explosion.

Like the program in Europe, this Western Pacific program represents a substantial reduction from earlier plans. The current fiscal year 1991 budget for this area is over $64,000,000 less than the original 1991 budget, a sixty-one percent reduction. This program is dedicated to the troops on the DMZ, to improve safety for our soldiers and to train on the modern sophisticated attack helicopters.

Now, lets examine this budget from the three primary perspectives of our soldiers; working, training and living conditions.

WORKING AND TRAINING CONDITIONS

A significant amount of resources is devoted to improving the working and training conditions and therefore the readiness of our soldiers. Over sixty-five percent of the program in fiscal year 1991 is devoted to improving working and training conditions. We are providing modern facilities for instructional, logistics and training support of Army operations. I believe that better facilities helps recruit and retain the talented men and women needed to fulfill our world-wide commitments. Moreover, better facilities lead to better performance which in turn leads to a corresponding increase in military readiness and warfighting capability. A total of $505,491,000 is included in the fiscal year 1991 request to ensure this support will be sustained.

The fiscal year 1991 request includes $58,630,000 for Operational projects, $120,561,000 for Training ranges and facilities, $254,650,000 for Maintenance and Production, and $71,650,000 for Research, Development Test and Evaluation.

The Army of the future will continue to provide sustained, land-based power to serve the National security interests of the United States. With the force structure changes it is imperative to have competent, confident leaders who will train and lead our high-qualified, well equipped force. The process of growing leaders is a long-term, multi-faceted proposition that in itself starts with training. Two projects in the fiscal year 1991 budget supports this end. The General Instruction Building at Fort Leavenworth and the Center for Strategic Wargaming at Carslisle Barracks will provide essential training for the future leaders in our new Army.

LIVING CONDITIONS

Although the Army continues to support Quality of Life through a balanced program, troop housing and community facilities have been reduced from requests of previous fiscal years as funding is further constrained. The operational necessity of training and sustaining a ready Army and high priority defense initiatives have forced us to slow down on one of our most successful and visible programs. Troop housing and community support facilities total $74,100,000, or ten percent, of the fiscal year 1991 budget.

In the Unaccompanied Housing category, the fiscal year 1991 request of $19,690,000 contains only two major projects. The first is for our forward deployed troops in Korea and will provide 528 spaces of new construction. The second is the highest priority modernization project at Fort Hood for the modernization of 560 spaces. This project is required to provide adequate, livable unaccompanied housing for our soldiers at Fort Hood even if major restationing actions are undertaken at this location. Our housing program has been slowed due to the uncertainties for future stationing decisions not lack of need for additional or modernized unaccompanied housing facilities.

The Morale, Welfare and Recreation projects in the community facilities program exemplify the Army's commitment to fixing existing assets where it is cost effective and only construct where there is no other option. New construction will utilize standard designs to save construction costs. With your help, we will continue this program to strengthen our bonds to the soldiers and their families. Our request includes a mix of nineteen critically needed community facility projects totaling $54,410,000 in fiscal year 1991 as indicated in the following display:

COMMUNITY FACILITY PROJECTS

	FY 1991
Child Development Centers	3
Chapel Center	1
Chapel & Religious Education	1
Education Center (Addition)	1
Army Continuing Education Center	1
Physical Fitness Training Center	3
Recreation Center	1
Library Addition	1
Multi-Purpose Auditorium Facility	1
Fire Station	4
Military Police Station Addition	1
Emergency Services Building	1

In addition to these projects, we have submitted four Child Development Centers for possible execution under the long-term facilities contract, Section 2809, authority. These projects at Fort Belvoir, Detroit Arsenal, Redstone Arsenal and Fort McPherson will provide our soldier will long term affordable support in this quality of life program.

This budget requests funding for two Chapel Centers to support service members and their families by providing a place for the free exercise of their religion in a pluralistic environment while separated from their home during service to the nation. Civilian churches in nearby communities are unable to fully meet the specific needs of military families (for example; physical accessibility or language at foreign locations) or the base commander's responsibilities to provide full religious support for all soldiers under his command. In fiscal year 1990 legislation, three projects which included both Religious Facilities and Child Development Centers (CDC) received authorization for only the CDC portion of the projects. Consequently, the accompanying authorization bill requests authority for the Religious Facilities portions of those three projects.

SPECIAL PROGRAM HIGHLIGHTS

REVITALIZATION OF ARMY FACILITIES

We are forging, within the very tight fiscal constraints, a revitalization strategy. This strategy involves defining the costs and benefits associated with various levels of revitalization investment in our current facilities. The current budget has a revitalization investment rate, in both Military Construction, Army (MCA) and Real Property Maintenance Activities (RPMA), of about 1 percent of the Army's Plant Replacement Value. An Office of the Secretary of Defense study indicated that Department of Defense facilities replenishment rates are one-third of the private sector and one-half of other public sectors. Our approach entails reducing the facilities base during this period of shrinking resources while striving to keep facilities funding at a level that fully funds a smaller annual recurring requirement. If we can accomplish this, through additional base realignments and closures, we will begin to contain the maintenance and repair backlogs as well as revitalize facilities we continue to own and operate. Other actions initiated to slowly reduce the backlog of maintenance include expanded self help, productivity programs, demolition of unneeded facilities as well as consolidating into the best facilities. We are continuing to develop these strategies within the Army to justify additional funding of a revitalization program to balance our essential new mission facilities requirements.

ARMY ENVIRONMENTAL PROGRAM

The fiscal year 1991 program includes two projects for water distribution and waste water pollution abatement totalling $29,000,000. One project at Fort Ord will pay Army's portion for a long-term potable water supply system for this area. Funding for this project is necessary even with the potential stationing changes to continue our commitment to provide potable water for the area. The project at Fort Sill will expand and upgrade the waste water treatment facility to comply with current environmental standards. Many of the other fiscal year 1991 projects are indirectly related to environmental compliance mitigation. Projects such as hardstands and central wash racks are designed and engineered to ensure minimum environmental impact. The fiscal year 1991 budget continues the Army's emphasis on improving the environment and minimizing adverse impacts.

CHEMICAL DEMILITARIZATION

I am pleased to inform you of two major accomplishments that were achieved in fiscal year 1989. In July, the Army began construction of the Central Demilitarization Training Facility (CDTF) at Aberdeen Proving Ground, Maryland. All government and contractor personnel who will work in our disposal facilities will receive their initial and refresher training at the CDTF. Also, in fiscal year 1989, a contract was awarded for the construction of the first chemical disposal facility in the United States which is being built at Tooele Army Depot, Utah.

In fiscal year 1991, we will construct a chemical disposal facility at Anniston Army Depot, Alabama, $54,300,000, and upgrade roads and other facilities in support of that plant, $10,200,000. We will also begin to upgrade roads, gas lines, and other facilities at Tooele Army Depot, $11,800,000, in support of that chemical disposal facility. A new laundry facility will also be constructed as part of the support facilities to the demilitarization mission at Tooele Army Depot.

You may recall that in our fiscal years 1990/1991 Biennial Budget, we had included projects for chemical disposal facilities at Pine Bluff Arsenal, Arkansas and Umatilla Army Depot, Oregon. Due to fiscal constrains, construction of those facilities is no longer part of our fiscal year 1991 request, but will be included in our fiscal years 1992/1993 Biennial Budget submission which makes the 1997 completion date improbable.

CURRENCY REVALUATION IMPACTS

The continuing fluctuation of the dollar will have an impact on our construction program. Previous programs have been budgeted at rates as high as 2.99 DM per dollar. The contracts that have been awarded and obligated at the prior, higher rates are now actually being paid out at a much lower rate for work as it is being constructed -- recently as low as 1.70 DM per dollar. An analysis of the impact, at this rate, on the fiscal year 1990 and prior authorized programs indicates an anticipate loss in fiscal year 1990 for MCA and family housing of approximately $101,000,000 and $107,000,000, respectively. Part of this requirement will be met by the appropriations approved for fiscal year 1990, $9,000,000, however, the remaining will have to come from deferral of projects, or savings in execution or future improvement in currency exchange rates.

In fiscal year 1987 a currency fluctuation account was established within the Department of Defense; however, there was no funding associated with this account and we initially capitalized this with the limited unobligated balances accrued in prior years. The fiscal year 1988, 1989 and 1990 appropriations to offset currency deficiencies provide partial relief, however, shortages continue. We will continue the practice of deferring the awards of some projects this year in order to ensure we have sufficient funds available to pay estimated currency bills. We utilized a similar strategy last year and, fortunately, did not have to cancel any approved projects due to currency losses. I am not optimistic that we can completely avoid cancellation of projects or delay family housing maintenance work this year. I am bringing this to your attention as a problem that we again have to jointly face. This is a critical problem we have in awarding and constructing the program requested.

MCA BUDGET REQUEST ANALYSIS
OVERVIEW
MILITARY CONSTRUCTION, ARMY

The fiscal year 1991 MCA budget request includes a request for appropriation of $774,900,000 along with a companion request for authorization of appropriation of the same amount, $774,900,000. Table 1 shows the request by facility categories and the percentage of the total construction dollars by category.

TABLE 1 - FISCAL YEAR 1991
MILITARY CONSTRUCTION, ARMY, PROGRAM
FACILITY CATEGORY SUMMARY

FACILITY CATEGORY	FY 1991 COST ($000)	%
Operations and Training	179,191	22
Maintenance and Production	254,650	34
Research, Development, Test and Evaluation	71,650	10
Supply & Administrative	46,130	6
Unaccompanied Housing	19,690	2
Community	54,410	7
Utilities & Real Estate	51,999	7
Design/Minor	97,180	12
Total	**774,900**	**100**

TABLE 2 shows the fiscal year 1991 distribution of the appropriation request among major commands in the United States and overseas. Construction projects in the United States account for $572,287,000 in fiscal year 1991, seventy-four percent. Construction projects outside the United States is only fourteen percent in of the total request, $105,433,000. This request also calls for planning and design, and unspecified minor construction of $97,180,000 in fiscal year 1991 or twelve percent of the request.

TABLE 2 - PROPOSED FISCAL YEAR 1991 MILITARY CONSTRUCTION, ARMY, PROGRAM COMMAND SUMMARY

COMMAND	FY 1991 COST ($000)	PERCENTAGE OF TOTAL
INSIDE THE UNITED STATES		
Forces Command	226,677	31.8
Training and Doctrine Command	144,580	18.7
Army Materiel Command	144,650	18.7
Western Command	15,300	2.0
Information Systems Command	1,050	0.1
Army Health Services Command	530	0.0
Military District Washington	7,650	1.0
Access Roads/Other	11,850	1.5
Total	**572,287**	**73.9**

(TABLE 2 continued)

COMMAND	FY 1991 COST ($000)	PERCENTAGE OF TOTAL
OUTSIDE THE UNITED STATES		
US Army, Europe	63,493	8.2
Eighth US Army, Korea	31,490	4.1
US Army, Japan	10,450	1.3
Total	**105,433**	**13.6**
OTHER		
Planning and Design	89,577	11.5
Unspecified Minor Construction	7,603	1.0
Total	**97,180**	**12.5**
Total obligation authority requested:	**774,900**	**100.0**

ARMY FAMILY HOUSING

Now let me discuss one of the most important programs in the Army budget--Army Family Housing. The fiscal year 1991 request continues our efforts started in prior years to improve the operational readiness of the Army while, at the same time, provide quality of life improvements necessary to attract and retain dedicated individuals to serve in the Army.

Adequate family housing continues to be one of our top goals. This budget request reflects the Army's attempt to provide suitable housing for our soldiers and to maintain the quality of the facilities entrusted to our stewardship. The fiscal year 1991 AFH budget includes a request (TABLE 3 on the next page) for $1,554,450,000 in appropriation, while an accompanying request for authorization is for the same amount, $1,554,450,000.

TABLE 3 - PROPOSED FISCAL YEAR 1991
ARMY FAMILY HOUSING PROGRAM
APPROPRIATION SUMMARY

FACILITY CATEGORY	FY 91 APPROPRIATION ($000)
New Construction	15,000
Post Acquisition Construction	44,100
Planning and Design	2,700
Operations	214,184
Utilities	303,641
Maintenance	540,210
Leasing	434,316
Debt Interest	49
Debt Principal	250
TOTAL	1,554,450

HOUSING PROGRAM ACCOUNTS

The Army Family Housing budget request includes resources for a minimal new construction program, revitalization of our aging housing inventory, planning and design of future construction projects, and to fund the annual costs of operating, maintaining, and leasing housing units for military families. This request does not, however, provide adequate resources to reduce or contain the Army's revitalization backlog, estimated to be $2.3 billion in fiscal year 1991. This is the sum total of all deferred maintenance and repair (DMAR) and post acquisition construction improvements work required to bring all Army Family Housing units to current DOD construction standards. TABLE 4 summarizes each of the categories of the AFH program and the percent of the total request for each category.

TABLE 4 - ARMY FAMILY HOUSING
FISCAL YEAR 1991 BUDGET SUMMARY
FACILITY CATEGORY SUMMARY

CATEGORY	FISCAL YEAR 1991 APPROPRIATION ($000)	PERCENT OF TOTAL APPROPRIATION
New Construction	15,000	1.0
Post Acquisition Construction	44,100	2.8
Planning & Design	2,700	0.2
Operations	214,184	13.8
Utilities	303,641	19.5
Maintenance	540,210	34.8
Leasing	434,316	27.9
Debt Interest	49	*
Debt Principal	250	*

*Less than .1 percent

NEW CONSTRUCTION

Army policy directs that the first source for providing family housing will be the civilian community. The concept of the Variable Housing Allowance (VHA) supports this policy. The Army's execution of the two test programs approved under Sections 801 and 802 of Public Law 98-115 also fully supports this policy. We are proceeding ahead to realize a successful Section 802, Rental Guarantee, project. We believe we will be successful since we are targeting this project to the higher graded soldier.
However, at locations where off-post housing is not available, too costly, or substandard, the Army must take positive steps to

provide adequate housing for military families. New construction is programmed only when these conditions exist and it is the most economical alternative.

In this budget our construction program has been reduced to our highest priority location, Hawaii. This construction project, 138 units, is for critically needed dwelling units on Oahu where off-post housing is scarce and expensive and continues an acquisition program that the Army started in 1988. Oahu is also the location we plan to execute a Rental Guarantee project.

POST ACQUISITION CONSTRUCTION

The Post Acquisition Construction program consists of whole house renewals and substandard upgrades to the current inventory to bring them up to contemporary standards and modernize obsolete systems. The revitalization backlog of our Post Acquisition Construction will grow to $1.5 billion by fiscal year 1991 due to the aging of our inventory; we must continue to place emphasis on this type work. In doing so, we will protect the government's investment and provide long-lasting benefits to our soldiers and their families. Our investment in family housing improvements is less in fiscal year 1991. However, over the past ten years, we have invested over $.8 billion in the housing inventory substantially reducing the requirements for some improvements such as air-conditioning and substandard upgrade.

Specifically, this request will provide revitalization to approximately 2,000 units at worldwide locations in fiscal year 1991. Included in the request are whole house renewal projects for 1,054 units in fiscal year 1991. The program calls for the air conditioning of 893 units in fiscal years 1991. Funding will also correct substandard housing conditions in 52 units in fiscal year 1991.

OPERATION AND MAINTENANCE

The operations, utilities and maintenance programs comprise the majority of the fiscal year 1991 budget request, sixty-eight percent. The funding requested for these programs partially funds the Army's annual expenditures necessary to provide municipal-type services and utilities, to maintain the existing family housing inventory in order to protect the Army's investment, and to provide overall stewardship of the family housing inventory. This does not include deferred maintenance and repair (DMAR) work which was not completed in prior years due to insufficient funding. This DMAR adds to the total revitalization backlog requirement. Fiscal year 1991 request continues programs which were in effect during previous years and provides resources for eighty-seven percent of our maintenance and repair requirements.

This budget fully funds the anticipated requirements for operations and utilities in fiscal year 1991. The request also continues funding for the installation, operation and maintenance of an Army-wide computer system, Housing Operations Management System (HOMES), which is improving many phases of housing management. Due to continued management emphasis and the impact of previously approved energy conservation projects, a reduction in energy consumption has been factored into the utilities request. A continuing objective of the operation and maintenance program is the improvement of living conditions for military families throughout the world by accomplishing the annual maintenance and repair of our inventory. However, this budget request will not accomplish all work which is needed to meet this objective.

DEFERRED MAINTENANCE AND REPAIR

Deferred maintenance and repair (DMAR) is that maintenance and repair work which was scheduled for accomplishment in a prior fiscal year annual work plan, but could not be accomplished due to insufficient funding. Foreign currency losses and fiscal constraints since fiscal year 1986 created funding shortfalls which resulted in the deferral of more than $330,000,000 of maintenance projects since that time. In the short-term, deferring projects is the least harmful way of meeting federal deficit reduction goals and paying for currency losses, but this deferral adds to the backlog of requirements and increases the rate of facility deterioration. We project the deferred maintenance backlog will increase to $833 million in fiscal year 1991 due to insufficient funding. This impacts severely on the total revitalization backlog of maintenance and repair.

LEASING

Another way of adequately housing our military families is the leasing program. Our program includes domestic leases (Section 801 and temporary domestic), Section 802 rental guarantee housing, and foreign leases. The temporary domestic leasing program for fiscal year 1991 increases slightly due to the increase in leases for the Oahu Consolidated Family Housing Office pending the completion of new construction projects programmed to reduce the large deficit in this area. We have requested only $8,645,000 for temporary leases in fiscal year 1991. The Section 801 program requests $59,425,000 in fiscal year 1991 for an average of 4,330 units to be occupied during the year.

The largest growth in this budget presentation is in the foreign leasing program. For this program, we request $366,246,000 in fiscal year 1991 for an average of 35,147 units to be occupied during the year. This growth is due to the Government Rental Housing Program (GRHP) in Europe. Under this program the Army leases directly with European landlords and pays all lease costs while our soldiers forfeit all housing allowances. The soldiers then stay in these leased units for their entire tour and are relieved of the high out-of-pocket expenses associated with living on the economy in Europe. We found that soldier morale is improved and there is no additional cost to the government since monies that would have been paid in housing allowances from the Military Personnel, Army (MPA) account are now transferred to the housing leasing account. Also, the GRHP leases will help in the orderly reduction of soldiers in Europe by providing flexibility to Commanders to shift leasing from location to location or cancel leases no longer required.

Our total leasing program request supports an average of 40,431 units in fiscal year 1991 to satisfy requirements in the United States, Europe, Korea, and Panama. These are our high priority locations where providing flexible family housing solutions is essential to improving the quality of life of our soldiers.

HOMEOWNERS ASSISTANCE PROGRAM

The Army is the executive agent for the Homeowners Assistance Program. This program provides assistance to homeowners by reducing their losses incident to the disposal of their homes when the military installations at or near where they are serving or employed are ordered to be closed or the scope of operations reduced. The fiscal year 1991 request is for $5,100,000 appropriation, while an accompanying request for authorization is also for $5,100,000.

This request was prepared and includes all known requirements prior to the recent announcement of possible additional base realignments and closures. The request also does not include any funds for the Base Realignments and Closures approved within Public Law 100-526 for which authority has been approved to transfer up to $31,000,000 from the Department of Defense Base Closure Account. The request will permit continuation of three known realignments at Air Force bases. Any additional base realignments or closures will incur an additional requirement in the Homeowners Assistance Program.

REAL PROPERTY MAINTENANCE ACTIVITIES

I would like to talk about another important source of funding in support of the Army's facilities, the Real Property Maintenance Activities (RPMA). The appropriation for these activities is provided as a part of the Defense Authorization Bill.

RPMA ACCOUNTS

RPMA is a major program with four major functional accounts-Operation of Utilities, Maintenance and Repair of Real Property, Minor Construction, and Engineer Support. We record costs of the major RPMA accounts to subaccounts to reflect the total cost to operate and maintain the Army's Physical Plant. Following is a list of these major accounts and their functions:

Operation of Utilities -- "J" Account

The utilities account includes the procurement, production and distribution of all utilities, such as electrical energy, steam and hot water, fuels utilities, and water. This account also includes the operation of utilities systems and plants.

Maintenance and Repair of Real Property -- "K" Account

This account pays to maintain functional areas such as the utilities systems, the buildings, and the grounds. Moreover, it funds railroads and other surface areas. The performance of environmental compliance restoration is also funded from this account.

Minor Construction -- "L" Account

This account funds projects under $200,000, such as, the erection, installation, assembly of a new real property facility. Additions, expansions, extensions, alterations, conversions, or replacement of an existing real property facility is also funded from the minor construction account. Additionally, the relocation of a real property facility from one installation to another would be paid for from this account.

Engineer Support -- "M" Account

The engineer support account funds services normally provided by municipal governments. Support services such as fire prevention and protection, refuse handling and disposal, and snow removal and ice alleviation are provided within this account. Other services provided include facilities engineering management, rental of real property and real estate administration, pest control services, master planning, environmental analysis and supervision of the Director of Engineering and Housing Staff.

SOURCES OF RPMA FUNDING

We fund RPMA from several appropriations and sources. The most common of these sources is the Operations and Maintenance, Army (OMA) appropriation. Funding is also received from: Research, Development, Test and Evaluation (RDTE); Army Industrial Fund (AIF); Family Housing, Army (AFH); Operation and Maintenance, Army National Guard (OMANG); Operation and Maintenance, Army Reserve (OMAR); Reimbursable Customers Tenants -- DoD and Other Services; Non-Appropriated Fund Activities; and Foreign Governments.

BACKLOG OF MAINTENANCE AND REPAIR

When we cannot fund the annual recurring maintenance and repair requirements (including one time projects), the result is a Backlog of Maintenance and Repair (BMAR). BMAR is defined as an aggregation of major maintenance and repair projects that were planned for accomplishment in previous fiscal years but were not accomplished due to lack of resources. At the end of each fiscal year, all of the unaccomplished projects become potential BMAR. The reporting activity then thoroughly reviews this potential BMAR before it is added to the previous listing of BMAR projects. These planned maintenance and repair (M&R) projects are reviewed to determine if the project can be rescheduled to subsequent fiscal years and included in those years' Annual Recurring Requirements or added to the BMAR list of deferred projects. BMAR projects are routinely revalidated at least once each three years and on occasions more often.

We can reduce BMAR in several ways. By funding and completing outstanding M&R projects, we remove them from the backlog list. The requirement is also removed by accomplishing a new construction project. Another way we reduce BMAR is by deactivating or demolishing the facility requiring M&R work or by closing all or part of the installation. However, BMAR cannot truly be reduced unless the Annual Recurring Requirements are fully funded and additional funds are available to apply against the backlog requirements.

BMAR is an indicator of the condition of our Real Property Assets. A high level of BMAR indicates a poor condition of facilities, and this will impact on the living and working condition of the soldier and his family. This, in turn, has a direct impact on force readiness.

RPMA IMPACT ON REVITALIZATION

Revitalization of the Army's physical plant is defined as the systematic replacement or renovation of the Army's real property facilities to current standards for mission accomplishment and physical condition. As I mentioned earlier, the funding sources for Army revitalization are primarily the OMA and Military Construction, Army (MILCON) appropriations. RDTE, AIF, NAF and private sector financed facilities (3rd party arrangements) also support revitalization of utility plants, the industrial base and other associated Army facilities. Revitalization funds basically come from either major maintenance and repair projects or "current mission" construction projects.

The major maintenance and repair projects provide revitalization through renovation of existing facilities while construction provides revitalization by building new facilities or complete modernization of current assets. Coupled with efficiency and productivity enhancements, innovative business practices, and some financial flexibility from the congress, additional funding could begin a slow but steady decrease in the backlog. Moreover, added funding would also support Army productivity, morale, recruitment, retention and ultimately, war fighting readiness. Last year additional funds were added to the RPMA program for environmental compliance and for reduction of the backlog. We appreciate the additional funds which will go a long way to attacking a problem that must be resolved in the near future.

SUMMARY

Mr Chairman, in summary, the fiscal year 1991 Army appropriation request is for $774,900,000 in Military Construction, Army, $1,554,450,000 in Army Family Housing and $5,100,000 in Homeowners Assistance Program. This request will support the programs presented by Secretary of the Army and the Chief of Staff, Army, in support of Army, Defense and National initiatives. Our fiscal year 1991 budget emphasizes readiness, training and quality of life programs within fiscal realities. It will continue to send a message to our soldiers, no matter where they live or work, that their government cares. Approval of this request will continue the efforts of the Army to enlist and retain the quality soldier that is essential in this period of force structure changes and to maintain a worldwide operational readiness and fighting ability.

BIOGRAPHY OF MAJ. GEN. PETER J. OFFRINGA

Major General Peter J. Offringa was born 30 January 1939 at Trenton, New Jersey. General Offringa is currently serving as the Assistant Chief of Engineers in the Office of the Chief of Engineers.

Prior to this assignment, he served as Deputy Director, Civil Works, Office of the Chief of Engineers, Washington, D.C.

General Offringa is a 1961 graduate of the U.S. Military Academy, West Point, New York, with a Bachelor of Science degree in Military Science. He received a Master of Science degree in Applied Science from the University of California at Davis in 1967. He is also a graduate of the U.S. Army Command and General Staff College and the Air War College.

He has held numerous responsible command and staff assignments, both in the United States and overseas. These major assignments include serving as Commanding General, Ohio River Division, U.S. Army Corps of Engineers; Senior Fellow, Executive Seminar in National and International Affairs, Foreign Service Institute, Rosslyn, Virginia; Director of Engineering and Housing, V Corps, U.S. Army Europe; Commander, 130th Engineer Brigade, V Corps, U.S. Army Europe; Faculty Member, Air War College, Maxwell Air Force Base, Alabama; Special Assistant to the Assistant Division Commander (Support), 2d Armored Division, Fort Hood, Texas; Commander, 17th Engineer Battalion, 2d Armored Division, Fort Hood, Texas. In addition to various Headquarters assignments, he also served as Assistant Division Engineer, 101st Airborne Division (Airmobile), Republic of Vietnam, and later Brigade Engineer, 3d Brigade (Separate), 1st Cavalry Division, Republic of Vietnam; and Assistant Professor, Department of Chemistry, U.S. Military Academy, West Point, New York.

General Offringa was assigned to the Chief of Engineers with duty as the Assistant Chief of Engineers in February 1988.

CONSTRUCTION OVERSEAS REDUCTION

Senator **Sasser**. Thank you very much, General Offringa. You testified that the Army has drastically reduced your request for construction overseas, and certainly I would say that large reductions are merited in view of the events that are unfolding around the world, particularly in Europe.

We note that you have reduced the request for Germany down from $95 million last year to $64 million this year. The budget does include $42 million for construction in Korea and Japan. Now, last year the Congress provided no funding for construction in Japan and Korea, and why should we approve this request for fiscal year 1991 if we disapproved it in 1990?

General **Hatch**. Sir, if I may, the construction requests for Korea are an attempt to continue to provide decent living and working conditions for our soldiers.

The requests for Korea are at five different locations. I have been to all of those locations. They are relatively remote. We still have troops living in 1950's quonset huts that are rusted out. They are not safe, and we still have our soldiers living like that.

The tactical equipment shops in many cases are wood frames built about the same time. They are fire traps. They are hazards, and we have simply, sir, requested again the similar type of construction, modestly, that we did last year.

Senator **Sasser**. Well, I think we want to continue to stress that our Asian allies should do more to pick up the tab for the common defense, and that includes increases in their share of construction to support U.S. forces.

RESERVE COMPONENT BUDGET

Next month, the committee will hold a specific hearing on the National Guard and Reserves, and as I said in my opening statement, it remains our view that as the Active Force structure is reduced, the mission of the Guard and Reserve should be increased. Yet when we look at the Army's plans through fiscal year 1994 we find that the Army is actually planning to slash the National Guard by about 76,000 personnel.

With regard to the military construction bill, the Army has slashed the Guard account by more than 70 percent. Now, the amount requested for the Guard in real terms is less than was provided in 1977. What is the process which the Army followed in allocating the budget between the Active Force and the National Guard?

General **Offringa**. Sir, in the formulation of the budget, we take a cut across all of the facilities requirements of the Army, both in terms of our repair and maintenance requirements, our operating requirements, our investment in construction both for the Active and the Reserve component. In the allocation of funds we look at the needs of both the active service and the Reserve component including the National Guard and we try to the best of our ability to balance out the priorities and the requirements consistent with the funding levels that we have. Based upon that, after a lot of agonizing and struggling, we finally came to the break that we currently have.

MILITARY CONSTRUCTION IN GERMANY

Senator **Sasser**. Gentlemen, earlier we commented on the fact that you had reduced your funding for Germany—your funding request this year down from $95 million to the $64 million figure.

In going over that request, I find a number of things, such as a $4 million record fire range—I suppose that is for a rifle range of some type—a tank crew combat course at Giessen for $2,250,000, an applied instruction facility at $5,700,000, at Manheim a vehicle maintenance shed to the tune of $7,600,000.

Has the Army, in making this request, taken into consideration what some are starting to regard as the very tenuous nature of our presence in Germany? We could enter into an agreement with the Soviet Union that at some juncture we might withdraw our troops from central Europe and leave us with just 30,000 troops, none of whom would be in central Europe—none of which would be in Germany.

There are all sorts of reports that in the event of reunification, in the event the social democrats win the election that is to be held as I understand it in December of this year, that there might very well be a request that United States forces vacate Germany.

Just today we see on the front page of the local newspaper a story in which it is indicated that we have severely curtailed our maneuvers in Germany as a result of the outcry from the German populace. Apparently, American military forces are not very popular in Germany any more. At least, our maneuvers are not popular.

Now, in view of that, I am wondering what our rationale is for going forward with very large, permanent structures. For example, here at Vilseck a hardstand and tactical equipment shop and sheds to the tune of $8,500,000.

How do you react to this statement, General Hatch, or General Offringa?

General **Hatch**. Sir, let me, if I may, start out——

Senator **Sasser**. And if I just may clarify it and say this, the question I am asking, has the leadership of the Army focused on this question as to whether—as to how long we are going to be there?

In other words, last year when we addressed this, it appeared that we were going to be in Germany as far as we could see into the future. Now we are getting all sorts of signals that our tenure in Germany might be very limited indeed, and if we have significant troops there 5 years from now, frankly I will be surprised. I am just wondering if that has penetrated down into the leadership, as far as making these plans are concerned for military construction projects in Germany.

General **Hatch**. Sir, let me first say that in this era of budget reductions that I mentioned to you a few moments ago, I assure you we are not interested in wasting money at locations that we do not believe we will have a presence well on into the life of the proposed projects.

In Germany this time, beginning last fall, when we realized that we would be entering into very intense negotiations with the Soviet Union through conventional forces Europe force reductions, we took all possible scenarios down to the smallest force that had been discussed by anyone short of total withdrawal and focused on eight locations, and although we have several hundred locations in Germany, we have focused only on eight locations that we believe any residual force would need.

I hear the same discussions you do, sir, concerning what might happen relating to German reunification. On the other hand, there are a number of opinions which believe that, for stability purposes, a continued association with NATO and a continued, albeit modest, presence of U.S. forces for the purpose, among other reasons, of ensuring that other allies might agree and feel comfortable with such reunification, I would say is a fairly high probability.

You mentioned our exercises. The cancellation of reforager in 1989 and the scaling down of reforager in 1990 were, yes, partly in response to German concern for continued maneuver damage, but they were also budget-driven in an attempt to save moneys in terms of transporting troops over there, and also reflected some new technology and our ability to simulate—with the use of computer and other tools, simulate the battlefield so that we could actually do a better job in training our higher level staffs. That certainly would be the type of exercise we would emphasize in the future.

MILITARY PRESENCE IN GERMANY

Senator **Sasser**. Well, General Hatch, I do not want my remarks to be misunderstood. Let me say this before yielding to Senator Grassley. I think Senator Grassley heard me say the other day, when the Secretary of State appeared before our Budget Committee, that as far as I am concerned I would like to see a United States troop presence continued in Germany, probably not at the levels we have now if tensions continue to subside in that area of the world, but I think a United States troop presence in Germany is a real force for stability in central Europe, and I think will be into the foreseeable future.

But I think the realities are that we may not be able to—there is a good possibility that we may not be able to continue a substantial U.S. troop level there and my questions are driven, really, by the dollars and cents proposition here. Do we really need to be spending funds for permanent facilities there when we may not actually be in a position to utilize them in the not-too-distant future?

Senator Grassley.

CONSTRUCTION MORATORIUM

Senator **Grassley**. Thank you, Mr. Chairman. I understand, as I am sure you do, that the Secretary of Defense's moratorium on construction was designed for several purposes, but one primary concern was to ensure that the program before us was responsive to the ever-changing environment of world defense. I would like to have you assure us that the request before us takes this into account.

General **Hatch**. Sir, I can assure you that it does. In fact, the moratorium went back a year to ensure that those moneys that were appropriated by this committee and the Congress in previous years are also in full concert with the changing world, and so we have put a moratorium on awarding construction projects during this current fiscal year until that review is complete.

Senator GRASSLEY. Would that mean that since it is still changing very much that we could expect amendments, or adjustments to the fiscal 1991 request as we continue the budget review process?

General HATCH. Sir, it is always possible. Right now, I would say that I doubt it in that we have taken rather extreme views in terms of, for example, residual troop forces in Germany, and we took those rather extreme views, again, to be sure we did not place any of that money or investment of taxpayers' resources at risk.

General OFFRINGA. If I might add, we have a continuing review over all of the projects that have been put into effect since 1986, and I have 900 projects right now that I am tracking to make absolutely sure that anything that is associated with any kind of base closure or overseas changes is tracked.

At the same time, the CINC's overseas are doing the same things and General Galvin, when he came back to testify before the House Appropriations Committee, actually withdrew a project from the 1991 program overseas in the medical program. That was the troop medical clinic at Friedberg.

ENVIRONMENTAL PROGRAMS

Senator GRASSLEY. The environment continues to be of importance to everyone. Clean air, clean water, and everything you can think of along that line is important for military personnel as well as any of the neighbors to the bases. I understand that the "Defense environmental restoration" account, which is funded in the Defense appropriation bill, takes care of much of the cleanup.

Do other environmental-type projects have a major impact on military construction programming presently, or will they in future years? I would like to have some examples of the type of projects or concerns that the Army faces.

General OFFRINGA. Sir, we have a very extensive environmental program, of which the defense environmental restoration fund is only a part. In fact, $750 million of defense money will go toward various environmental projects in the 1991 timeframe. About $200 million of that would be in the "Defense environmental restoration" account, both for installation restoration and for restoration of formerly used sites.

In addition, the Army will use about $345 million of its operations and maintenance funding to work on compliance within its existing installations. We also have projects within the military construction account that are specifically designed for environmental purposes—such as the sewage treatment plant at Fort Sill in the 1991 program, which will replace a facility there which does not meet environmental standards.

Also, I think it ought to be noted that many projects within the construction program, even though they are not tagged environmental per se, actually have beneficial environmental consequences. For example, any new maintenance facility and hardstand has incorporated in it oil separatiors and the latest environmental advances, so that we get an environmental plus-up almost any time that we revitalize an old maintenance facility and improve it with a new, state-of-the-art facility.

I would point out, also, our wash facilities, such as the one at Fort McCoy, incorporate all appropriate environmental features so that we do not, for example, let the oil products wash into the environment. We also make sure that we do not put earth siltation out into the environmental streams, almost all of our projects have environmental enhancements.

CHILD DEVELOPMENT CENTERS

Senator **Grassley**. You brought up the subject of child care in your presentation. It is of great importance to most everybody. It is a major subject here on the Hill, and I know that the Department of Defense has been very aggressive in providing child care facilities. I suppose a question of adequacy is still a point of honest disagreement.

The Army program for fiscal year 1991 includes, as I understand it, a request for three facilities costing about $5 million, a substantial decrease from last year's 13 facilities costing $37 million. Can you explain the difference and give us some indication on the program's future?

General **Offringa**. Yes, sir; the fact that we only have three child development facilities in the military construction program does not mean the Army's focus on child development centers as a quality of life initiative for our soldiers has decreased.

Actually, it is a result of the acceleration by the Congress of a number of our 1991 and 1992 development projects forward into 1990 that occurred after we had submitted our budget. We were unable, then, to submit any additional child development centers other than the three that are in the military construction program.

I would point out, also, that we have four child development centers which we will attempt as third party initiatives this year, so that our actual commitment to child development in 1991 will be a total of seven child development centers.

Our total requirement is about 7,000 spaces, and we still have a requirement, then, for child development in the future, and we will continue to incorporate a steady level of child development levels within our budget request in the future.

Senator **Grassley**. I know that your primary concern must be the military people. What about Army civil servants? Are there any plans for incorporating child care for that classification of Federal employees into any of your plans?

General **Offringa**. Yes, sir; as a matter of fact, the four third-party child development centers will be for both military and civil servants, and we picked those four sites primarily at places where we had a good mix of military and civilian so we could incorporate them together.

CENTER FOR STRATEGIC WAR-GAMING, CARLISLE BARRACKS, PA

Senator **Grassley**. The budget before us includes $25 million for facilities at Carlisle Barracks, PA, the home of the Army War College, called the Center for Strategic War-Gaming. What is the purpose of the project, and where is the war-gaming currently taking place?

General **Offringa**. Sir, the war-gaming is currently taking place in a facility called the Old Mill. It is an 1890 mill that has capability to provide room for 14 people, and so, therefore, we do not do very much war-gaming.

What we are desirous of doing is providing a place that the students, after they go through the classroom curriculum, can actually go out and put into application those skills they learned by war-gaming against each other in a modern, computerized facility.

Now, this facility would also have the advantage that it would be available to the rest of the Army so that if the CINC's wanted to come in and war-game, or anyone else, it could be available for them also, so that we anticipate a very high level of usage for this facility.

Senator **Grassley**. What about the events that have taken place in the last 6 to 8 months? In the ever-changing world we are in, has the need for this project been reviewed recently in light of these political changes?

General **Offringa**. Yes, sir; it has. As a matter of fact, those changes have even intensified the need for something like this, because we feel that in times when the force structure is drawing down, that the need to intensively train our leaders is ever more important. If we ever have to expand again we can build new tank plants and we can mobilize soldiers, but we cannot produce leaders overnight.

General **Hatch**. Sir, I might add that in line with our previous discussion concerning the scaling back and the reshaping of the massive reforger exercises in Germany, the state-of-the-art, computer-aided war-gaming, if you will, that permitted reducing the numbers of tanks and vehicles and troops involved in that exercise is in fact the type of war-gaming we feel that we need to be able to accomplish at Carlisle. Otherwise, we are not going to be able to take advantage of that new technology.

GENERAL INSTRUCTION BUILDING, FORT LEAVENWORTH, KS

Senator **Grassley**. The budget requests $34 million for a general instruction building at Fort Leavenworth, KS. Considering that it is most likely that the Army end strength will be reduced, can this facility be justified, and if so, give me some detail of why this is needed at this specific time.

General **Offringa**. Yes, sir; the Armed Forces Staff College, in an economy move, was closed several years ago. That student load will now be shifted to Leavenworth. That is an increase of about 200 officers that will have to go to Fort Leavenworth at the current levels.

Without those 200 we were training only 85 percent of our requirements for Fort Leavenworth-trained people so that even though the force structure may be declining, the 200 increase and moving our 85 percent up to closer to 100 percent more than justifies the requirement for a facility.

In addition, we have not built anything up there since 1950. The current facilities are undersized. I think I showed you a couple of pictures of the things that are being used. We are doing a lot of the required training downtown in leased facilities, so there will be savings because we will not have to use the leased facilities.

And I think, again, in a time of drawing down in force structure, the need to keep our leaders trained at a very high level is absolutely critical.

RANGES

Senator **GRASSLEY**. With the end strength of the Army dropping I would think that it would have an impact on every type of facility, but I notice that you have a request for $66 million for 15 ranges, and this is an increase from 11 last year, costing $40 million. I think I have got to have an explanation of why the increase is necessary considering the impact on the end strength.

General **OFFRINGA**. Sir, the end strength will decline, but we will still have a requirement to train the residual forces, and the ranges we have picked have been at those installations that we believe will have long-term tenure.

We believe that this investment will result in high quality training, and the major imperative that we feel that we must retain during the decline in force structure is we must maintain quality training and quality soldiers so that we can continue to have the high quality Army of which I know you are so proud.

General **HATCH**. And, sir, they are in large measure replacing outdated ranges. It will not increase our total inventory of ranges. It will make them more efficient and uses state-of-the-art techniques that were displayed during the slide show.

Senator **GRASSLEY**. Well, I would guess that the total number ought to decrease. Is the total number going to decrease or are we still going to have the same number with lesser people in the Army?

General **OFFRINGA**. As we take installations out of the inventory, then the total number of ranges, those ranges and those installations would come out, would decrease.

Senator **GRASSLEY**. Do you expect that decrease to be somewhat in proportion to the number of people in the military?

General **OFFRINGA**. Yes, sir.

Senator **GRASSLEY**. So, if that goes down 30,000 here in the near term, the total number of these would go down even though the number that you are improving is going up?

General **OFFRINGA**. That is correct, sir.

General **HATCH**. I would also point out that these ranges are heavily used by the Guard and the Reserve and do not appear in the Guard and Reserve construction programs, but in the MCA program.

Senator **GRASSLEY**. Thank you, Mr. Chairman.

Senator **SASSER**. Thank you very much, Senator Grassley.

Senator Reid.

DEMILITARIZATION FACILITY AT HAWTHORNE, NV

Senator **REID**. What is the status of the western area demilitarization facility in Hawthorne, NV? More specifically, it is our view that the safe and environmentally sound demilitarization of aged, obsolete, and decaying munitions is important both for Nevada and the Nation. Could you tell me the status of this western area demilitarization facility?

General **Offringa**. Yes, sir; the facility is currently not being used. It would require some investment in order to bring it up to a capability where we could use it for conventional ammunition destruction.

We are looking across the whole country now as to how we can best accomplish conventional munitions destruction, and the Hawthorne facility is one of the ones that is included in that overall look.

Senator **Reid**. There was some talk last year that there was some private contractors that had approached you expressing their interest in acquiring and operating the facility. Do you have any information on this?

General **Offringa**. No, sir; I do not.

Senator **Reid**. Would you check it out?

General **Offringa**. Yes, sir.

Senator **Reid**. In fact, there is one concern that was in the process of negotiating a contract, we were told. Do you know what the current backlog of obsolete munitions that could be disposed of currently, not only at Hawthorne, but other places, is?

General **Offringa**. Sir, I do not have an exact figure, but I do know that we have a very large backlog, and that is one of the reasons why we are looking very carefully at ways that we can dispose of them. I can provide you an exact figure for the record if you desire.

Senator **Reid**. I have some other questions that relate to Hawthorne specifically that I am sure you are not sure of—and you probably do not have the information on—and I will submit those in writing.

If you could get back to me in the next couple of weeks, I would appreciate that.

The Army forecast in 1987 that annual generation of obsolete munitions to be about 20 short tons per year through 1993. Do you have any information that would change that figure?

General **Offringa**. No, sir; I know of nothing that would change that projection at this time.

Senator **Reid**. Will the drawdown in Europe cause that figure to even be increased more than likely?

General **Offringa**. That I do not know, sir.

Senator **Reid**. I have some other questions, Mr. Chairman. I will submit those in writing to the two generals.

I have no further questions.

Senator **Sasser**. Thank you, Senator Reid.

HOUSING NEEDS AT FORT CAMPBELL, KY

Gentlemen, I have one final question. Last December the subcommittee denied a request by the Army to proceed with the construction of a section 801 build to lease housing project at Fort Campbell, KY. We took this action following receipt of a preliminary General Accounting Office finding that the Army's process for calculating housing needs may have been flawed.

Have you studied the General Accounting Office's findings and do you agree with their report of their findings?

General **Hatch**. Sir, we have completed what we have referred to as an independent residential housing inventory in that area. We are now working with the General Accounting Office to develop what we hope will be a mutually agreeable statement of deficit in that area before proceeding with that project, and before doing so, sir, we will come back to the committee and report out those findings.

General **Offringa**. And we are also, sir, taking into account the suggestions that the GAO has given us to improve our process. Those are good suggestions.

We are working now with the General Accounting Office and also with some consultants from private industry in order to refine our process so that we can come up with the best possible estimates of shortfalls.

Senator **Sasser**. Well, at this juncture do you know whether or not you plan to resubmit the Fort Campbell project at a later date if the corrected process indicates a valid requirement?

General **Offringa**. Sir, if the corrected process shows a valid requirement, then we would plan to resubmit that as an 801 request.

Senator **Sasser**. Well, I would just urge that the Army continue to work closely with the General Accounting Office to overcome some of the deficiencies that were spotted in the Fort Campbell project and in the housing process in general.

ADDITIONAL COMMITTEE QUESTIONS

Gentlemen, that ends our questions here today unless my colleagues have additional questions. We will submit additional questions for the record from Senators Reid and Fowler.

Generals, thank you very much for appearing here this morning and giving us the benefit of your testimony.

General **Hatch**. Thank you, Mr. Chairman.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

Questions Submitted by Senator Harry Reid

CONVENTIONAL AMMUNITION DEMILITARIZATION

Question. What is the total backlog in obsolete munitions that could be disposed of at the Hawthorne AAP? Do these munitions become unstable with age?

Answer. The closing worldwide inventory of the conventional ammunition demilitarization stockpile for first quarter fiscal year 1990 was 190,347 short tons (ST). Of this quantity, Hawthorne AAP has the capability of accomplishing demilitarization of 152,277 ST. These quantities include both obsolete and unserviceable items. The degradation of munitions to an unstable condition varies with type of filler as well as material used in the casing of the item. In addition, type of packaging and environmental storage conditions play a big part in maintaining the items in a stable condition.

Question. What is the current tonnage being demilitarized at Hawthorne per month? What would be the total tonnage demilitarized per month if Hawthorne were operating at full capacity? What would be the additional resources needed to have Hawthorne AAP operate at full capacity?

Answer. The total amount of demilitarization presently accomplished per month at Hawthorne AAP is insignificant in that it includes only material that is considered an emergency or a safety hazard. Over the last two fiscal years this has averaged out to approximately 1,500 ST per year, or 125 ST per month. The low rates of monthly accomplishment relate directly to lack of financial resources and denial of Nevada state environmental permits.

If Hawthorne AAP operates the Western Area Demilitarization Facility (WADF) at full capacity, that is, 24 hours per day, 320 days per year, it could accomplish approximately 5,000 ST per year, that is, less than one quarter of the yearly generations for the services.

Operation of WADF in a selected operation mode at a full up continuous rate could accomplish 1,700 ST of demilitarization per year.

The additional resources needed to bring WADF to full operating capacity are approximately $40,000,000. These dollars are needed to upgrade equipment to meet environmental standards and to develop technology for demilitarization of items presently without demilitarization procedures.

Question. The Army forecast in 1987 the annual generation of obsolete munitions to be about 20 short tons per year through fiscal year 1993. Will the drawdown in Europe and the destruction of selected military munitions affect the Hawthorne workload and the Army forecast?

Answer. The 1987 Army forecast was 20,000 short tons generation per year for all services, rather than 20 short tons as cited in transcript. The Army, as Single Manager for Conventional Ammunition (SMCA) has the responsibility for demilitarization of all conventional ammunition with the exception of a few service peculiar items, i.e., torpedoes, underwater mines, etc. The forecast was quite accurate in that actual tonnage for fiscal year 1988 and fiscal year 1989 averaged 23,000 ST per year.

Base closure impact on demilitarization at WADF is nonexistent in that demilitarization stockpile at affected sites will be disposed of on site prior to closure.

The impact of the drawdown in Europe on ammunition demilitarization is not fully known at this time. Management of the stockpile dictates that unserviceable items be demilitarized in-country to the extent possible, and items surplus or obsolete to U.S. needs be offered to our allies through the Foreign Military Sales (FMS) Program.

ARMY'S ENVIRONMENTAL PRIORITIES

Question. Military priorities are undergoing reassessment due to Conventional Forces in Europe (CFE) initiatives and defense cutbacks. Does the Army plan to give higher priority to defense related environmental issues and bear more of the burden to clean up pollution on our military bases?

Answer. The Army has already placed a high priority on environmental issues and will continue to take aggressive action in this area. This includes those aspects that relate to remediation of pollution caused by past disposal practices, as well as those aspects that affect current operations requiring compliance with environmental statutes.

During fiscal year 1989, the Army Installation Restoration Program (IRP), a subset of the Defense Environmental Restoration Program (DERP), showed the most significant growth among all DOD components. The number of installations included in the Army IRP nearly tripled, while the total number of sites identified rose from 3,208 in fiscal year 1988 to 8,642 in fiscal year 1989. Interagency Agreements (IAG), outlining detailed management plans for facility cleanup, had been signed at a total of nine Army listed National Priorities List (NPL) sites. This was more than any other Federal agency.

For fiscal year 1990, the Army has been funded at $177 million for the current sites program. The Army also received $67.5 million for formerly used defense sites, which the Army manages as Executive Agent for all the services. For fiscal year 1991, the President's budget request includes $209 million for current sites and $96 million for former sites. Clearly the Army plans to expend substantial resources to carry the IRP to its conclusion.

The Army also is directing increasing attention to ensure that current operations comply with environmental standards. In this arena, the Army continues to emphasize adherence with environmental standards as a necessary cost of doing business that must be fully integrated into all aspects of mission accomplishment. As you know, there are scores of environmental statutes which subject the Army to enforcement action at the Federal, State and local level. A number of projects must be undertaken to ensure that we achieve and maintain compliance with these regulations. In fiscal year 1990 the Army earmarked $337 million for environmental compliance. For fiscal year 1991, the President's budget request includes $452 million for environmental compliance.

In addition to the above, the Army has started several initiatives toward meeting our environmental obligations. Included among these are efforts to establish the optimum environmental organizational structure to support the Army; conduct of a Senior Environmental Leadership Conference (SELC), designed to provide direction for the overall program for the long term; establishment of an Environmental Compliance Achievement Program (ECAP), which provides "umbrella coverage" for all major environmental compliance areas to ensure we properly address requirements; establishment of a Senior Executive Environmental Council (SEEC), designed to focus high-level attention on environmental issues impacting the total Army; and implementation of a mechanism to give visibility and an audit trail of funding for ECAP.

Several other initiatives are underway which not only reinforce the environmental restoration and compliance programs, but place greater emphasis on pollution prevention and environmental enhancements. These include major efforts to integrate environmental training at all levels—soldier to senior leaders; an expanded research and development program built around a joint service approach with broad scaled application; a major focus on waste minimization through process changes, product substitution and recycling programs, which will provide long-term dividends; integration of environmental considerations into milestone decision points in the materiel development and acquisition process; and an expansion of "environmental values" through the Army Community of Excellence Program. Every one of these initiatives reflects the Army's strong commitment to protecting, preserving, and enhancing the environment. The program is moving forward and efforts will continue to focus available resources in these areas.

QUESTION SUBMITTED BY SENATOR WYCHE FOWLER, JR.

"WARMBASING" FORT GILLEM

Question. LTG Hatch, according to the Army's most recent update of its activities to streamline acquisition and management, Fort Gillem in my State is a candidate for "warmbasing." I understand that Georgia may face some military cuts as we reduce our defense spending. My main concern is that we have as much time as possible to prepare for any cuts we will face and that we have a clear understanding of the Army's intentions regarding facilities in Georgia. In the interest of giving both the affected communities and myself the information we need to make the necessary adjustments, can you first of all clarify what the term "warmbasing" means? Second, can you give us an estimate of how many personnel on the base may be affected, and over what time period?

Answer. As it pertains to Fort Gillem, "warmbasing" means that the installation will become semiactive and remain a subpost of Fort McPherson. It will not be in continuous use by major Army organizations. It will be able to provide intermittent support for Reserve Component or field exercise requirements. Tenant activities can remain and the installation can be considered for use by the state National Guard. In this mode, the installation provides expandability under mobilization and may support future operations. Until the Army completes the studies necessary for the leadership to make a decision on the proposal to "warmbase" Fort Gillem, I cannot answer your second question.

DEPARTMENT OF THE NAVY

STATEMENT OF REAR ADM. DAVID E. BOTTORFF, CEC, U.S. NAVY, COMMANDER, NAVAL FACILITIES ENGINEERING COMMAND

SENATOR SASSER'S OPENING REMARKS

Senator **SASSER**. Next, this morning, we turn to the Navy and the Marine Corps for their military construction and family housing programs.

The Navy, as I understand it this morning, will be represented by Rear Adm. David Bottorff, the Commander of the Naval Facilities Engineering Command, and the Marine Corps is represented by Brig. Gen. Wayne Adams, Director of the Corps' Facilities and Services Division.

Gentlemen, we welcome you before this committee this morning, and you may introduce any of those with you if you wish to before you proceed.

Admiral, we will turn to you first.

SUMMARY STATEMENT

Admiral **BOTTORFF**. Thank you, Mr. Chairman. It is a pleasure to be here on my first appearance before this committee. I have a statement for the record, but I would like to highlight a couple of items for you.

First off, I would like to thank the committees for their support in our previous submittals in fiscal year 1989 and fiscal year 1990. Those requests were approved at about the same level that we had submitted them. We appreciate that.

This year's request for fiscal year 1991 is up slightly, but it includes only our highest priorities. We need your help again in getting that approved. Specifically, in the military construction program portion, the submittal is almost exactly the same amount as we submitted last year in fiscal year 1990, and this is despite the fact that the Navy budget as a whole has declined. This is indicative of the concerns that the Navy has for the overall condition of our shore establishment and the emphasis placed on the quality of life, particularly the current mission portion of our military construction budget which represents 65 percent of our total program. This is a substantial increase over previous years and, again, I think emphasizes the need to replace and modernize our old shore establishment.

I know that the committee is concerned with the amount of overseas construction. The Navy went through a site-by-site analysis, and our submittal represents only 4.8 percent of our total Milcon program, specifically $48.6 million. These projects concentrate on the urgent operational needs and quality of life requirements in our overseas areas.

BASE CLOSURES

With regard to base closures, there are three projects in our request located at candidate sites for base closure as announced by Mr. Cheney. When the final decision is made on those closures, Mr. Cheney has advised that the budget request will be modified as appropriate.

STRATEGIC HOMEPORTING

On strategic homeporting, we have $41.8 million in the program specifically for Staten Island and for Everett. Another major program in our request is for the D–5 missile at our Trident bases. We have the last major increment for the D–5 missile at King's Bay, GA, and the first major increment for introducing the D–5 missile at Bangor, WA.

In addition, we are using private venture capital to supplement the military construction program where it makes good sense in both economics and in meeting our requirements. For example, we have just recently executed a second contract under 10 U.S.C. section 2809, for a long-term lease to provide transit BOQ spaces at Newport, RI, and New London, CT. We expect substantial savings to the Government due to reduced per diem rates.

We anticipate using all of our five section 2809 contracts by the end of this fiscal year.

FAMILY HOUSING PROGRAM

Turning to our family housing program, our request represents a 13-percent increase over fiscal year 1990. And, again, this is against the trend of a total Navy budget reduction, but this is important to the quality of life of our sailors. Our request contains slightly over 1,000 new family housing units and a substantial increase in maintenance funding for our existing units.

We also are making wide use of the 10 U.S.C. section 801 leasing, lease to construct program, that has been authorized by the Congress. We intend to continue to do that as the Congress permits.

Finally, I might say that our total program includes only the survivors of a very tough budgetary scrub that has taken place not only in the current year but in previous years. I believe my success in gaining the right amount of military construction in the fiscal year 1992 and out budgets will be largely determined by the current action of the committee and the Congress on the fiscal year 1991 request.

I urge your favorable consideration for our request.

PREPARED STATEMENT

Senator SASSER. Thank you, Admiral. We will place your statement in the record.

[The statement follows:]

STATEMENT OF REAR ADM. DAVID E. BOTTORFF

MR. CHAIRMAN, I AM REAR ADMIRAL DAVID E. BOTTORFF, COMMANDER OF THE NAVAL FACILITIES ENGINEERING COMMAND. I APPRECIATE THE OPPORTUNITY TO REPRESENT THE SECRETARY OF THE NAVY AND THE CHIEF OF NAVAL OPERATIONS IN REVIEWING THE NAVY'S FISCAL YEAR 1991 BUDGET SUBMISSION FOR MILITARY CONSTRUCTION (MILCON) WITH YOU. BRIGADIER GENERAL WAYNE T. ADAMS, UNITED STATES MARINE CORPS, WILL REVIEW THE MARINE CORPS PORTION OF THE REQUEST.

FIRST, I WOULD LIKE TO THANK YOU FOR THE STRONG SUPPORT YOU HAVE PROVIDED IN THE PAST YEARS FOR NAVY MILITARY CONSTRUCTION AND FAMILY HOUSING PROGRAMS. BY RECEIVING FUNDING IN FISCAL YEARS 1989 AND 1990 AT LEVELS COMPARABLE TO OUR BUDGET REQUESTS, WE HAVE BEEN ABLE TO SLOW DOWN THE GROWTH OF OUR BACKLOG OF WORK REQUIRED TO MAINTAIN A MODERN SHORE ESTABLISHMENT. OUR MILITARY CONSTRUCTION AND FAMILY HOUSING REQUEST OF $2.02 BILLION IS SIMILAR TO LAST YEAR'S REQUEST OF $1.89 BILLION IN THAT IT ALSO REFLECTS THE RESULTS OF DIFFICULT BUDGET DECISIONS IN A TIME OF LIMITED FUNDS. IT THEREFORE INCLUDES ONLY THE HIGHEST PRIORITY REQUIREMENTS. YOUR CONTINUED SUPPORT IS ESSENTIAL TO PROVIDE THE FACILITIES NECESSARY TO ENSURE FLEET READINESS AND AN ADEQUATE QUALITY OF LIFE FOR OUR SAILORS, MARINES, AND CIVILIANS.

BASE CLOSURES AND FORCE STRUCTURE

I STRONGLY SUPPORT SECRETARY CHENEY'S INITIATIVE TO EXPEDITE THE BASE CLOSURE PROCESS TO ENABLE CLOSURES TO BE EFFECTED QUICKLY AND SAVINGS TO BE REALIZED PROMPTLY. IN THAT RECENT BASE CLOSURE AND FORCE STRUCTURE ANNOUNCEMENTS BY SECRETARY CHENEY ARE OF CONSIDERABLE CONCERN TO CONGRESS, I WILL BRIEFLY REVIEW THESE ANNOUNCEMENTS IN RELATION TO THE NAVY'S FISCAL YEAR 1991 MILITARY CONSTRUCTION AND FAMILY HOUSING REQUEST. THE FIFTEEN (15) CANDIDATE NAVAL BASES FOR CLOSURE OR REALIGNMENT AND THE ANNOUNCED FORCE STRUCTURE REDUCTIONS BY THE END OF FY 1991 HAVE MINIMAL EFFECT ON OUR FY 1991 REQUEST. WE

HAVE THREE PROJECTS IN THE BUDGET AT CANDIDATE CLOSURE & REALIGNMENT SITES; THE PHALANX SHOP MODERNIZATION AT NAVAL ORDNANCE STATION LOUISVILLE, KENTUCKY; THE ASBESTOS REMOVAL SHOP AT NAVAL SHIPYARD LONG BEACH, CALIFORNIA; AND THE HOUSING OFFICE AT NAVAL AIR STATION BERMUDA. THE LOUISVILLE AND LONG BEACH PROJECTS ARE REQUIRED TO ELIMINATE SERIOUS PRODUCTION, HEALTH AND SAFETY DEFICIENCIES AND WILL BE URGENTLY REQUIRED IF IT IS DETERMINED AFTER STUDIES ARE COMPLETE THAT THE ACTIVITIES ARE NOT TO BE CLOSED. THE HOUSING OFFICE AT BERMUDA IS STILL REQUIRED EVEN IF THE PROPOSED REALIGNMENT AT THAT ACTIVITY IS ACCOMPLISHED. FINAL DECISIONS ON THE CLOSURE OR REALIGNMENT OF THESE AND OTHER ACTIVITIES WILL BE MADE AT THE CONCLUSION OF ONGOING STUDIES TO DETERMINE OPTIMUM FACILITY REQUIREMENTS TO SUPPORT THE REDUCED FORCE STRUCTURE. IN SECRETARY CHENEY'S LETTERS OF FEBRUARY 8, 1990, FORWARDING TO CONGRESS THE PROPOSED FY 1991 MILCON AUTHORIZATION BILL, HE STATED, "THIS DRAFT MILITARY CONSTRUCTION AUTHORIZATION BILL WOULD AUTHORIZE CONSTRUCTION PROJECTS AT INSTALLATIONS THAT I ANNOUNCED AS CANDIDATES FOR CLOSURE OR REALIGNMENT. WHEN FINAL CLOSURE DECISIONS ARE MADE, I WILL ASK FOR APPROPRIATE CHANGES TO OUR REQUEST." ACCORDINGLY, WE SOLICIT YOUR SUPPORT FOR OUR REQUEST PENDING FINAL CLOSURE DECISIONS.

FACILITY MANAGEMENT

LAST YEAR, MY PREDECESSOR, REAR ADMIRAL MONTOYA, ALERTED YOU OF HIS CONCERN OVER OUR LIMITED RESOURCES TO PROVIDE PROPER FACILITY SUPPORT TO THE OPERATING FORCES. SECRETARY CHENEY'S CLOSURE AND REALIGNMENT INITIATIVES WILL CERTAINLY, IN TIME, PROVIDE SOME RELIEF FROM THIS CONCERN; WE, HOWEVER, NEED TO CONTINUE TO MAKE PROGRESS IN IMPROVING OUR FACILITY MANAGEMENT PROGRAMS. EFFECTIVE PROGRAMMING FOR AND EXECUTION OF SCARCE APPROPRIATED FUNDS, SUPPLEMENTED BY PRUDENT USE OF PRIVATE FINANCING IS WHAT WE ARE PURSUING TO ENHANCE OUR CAPABILITY TO PROVIDE NECESSARY BASE SUPPORT TO THE FLEET.

FACILITY PROGRAMMING

THE BUDGET BEFORE YOU WAS DEVELOPED IN CONJUNCTION WITH OTHER NAVY ACCOUNTS SUCH AS AIRCRAFT PROCUREMENT, SHIPBUILDING AND CONVERSION AND RESEARCH AND DEVELOPMENT IN ORDER TO PROVIDE THE OPTIMUM MIX OF FUNDS NECESSARY TO SUPPORT OUR MISSIONS. IN OUR METHOD OF PROGRAMMING, SENIOR MILITARY OFFICERS ARE RESPONSIBLE FOR INSURING THAT ADEQUATE RESOURCES ARE AVAILABLE TO ACCOMPLISH SPECIFIC MISSIONS ASSIGNED. THE SPONSOR FOR THE MISSIONS OF OUR SUBMARINE FORCE, FOR EXAMPLE, MUST INSURE THAT A PROPER MIX OF APPROPRIATIONS IS BUDGETED TO PROVIDE ADEQUATELY TRAINED PEOPLE AND SUFFICIENT EQUIPMENT AND MATERIAL, AS WELL AS NECESSARY FACILITIES TO ACCOMPLISH THESE MISSIONS. TO ASSIST SPONSORS TO PRUDENTLY PROGRAM LIMITED RESOURCES, WE USE OUR SHORE FACILITIES LIFE EXTENSION PROGRAM TO FOCUS EFFORTS ON REPAIR AND REPLACEMENT OF THOSE FACILITIES MOST CRITICAL TO MISSION CAPABILITY. OUR SHORE BASE READINESS REPORTING SYSTEM HIGHLIGHTS THOSE FACILITY REQUIREMENTS RESULTING IN MARGINAL AND UNSATISFACTORY READINESS RATINGS. THE SPONSOR IS THEREFORE ABLE TO TARGET LIMITED MILCON AND MAINTENANCE AND REPAIR FUNDS TO THOSE CRITICAL AREAS TO AVOID ADVERSE IMPACTS ON MISSION CAPABILITY.

PROGRAM EXECUTION

WE CONTINUE TO PLACE EXTENSIVE EFFORTS TO IMPROVE OUR ACQUISITION PROCESS TO OBTAIN THE OPTIMUM RETURN FROM OUR LIMITED MILITARY CONSTRUCTION FUNDS. ADDITIONALLY, EACH OF OUR PROJECTS IS REVIEWED TO DETERMINE THE MOST TIMELY AND COST EFFECTIVE CONTRACTUAL METHOD FOR ITS DESIGN AND CONSTRUCTION.

WE ARE CURRENTLY ENGAGED IN A MAJOR EFFORT TO STREAMLINE OUR LENGTHY ARCHITECT/ENGINEER SELECTION PROCESS. RECOMMENDATIONS FROM A STUDY COMPLETED LAST YEAR BY A HIGH LEVEL TASK GROUP ARE CURRENTLY BEING TESTED AT THREE OF OUR MAJOR ACTIVITIES. INITIAL INDICATIONS ARE THAT THE TIME OF THE SELECTION PROCESS CAN BE REDUCED TO LESS THAN ONE-HALF OF WHAT IT NOW TAKES US TO ENTER INTO A CONTRACT.

WHEN INITIATING A PROJECT DESIGN, WE FIRST LOOK TO SEE IF TIME AND MONEY CAN BE SAVED BY USING STANDARD DESIGNS, PACKAGING PROJECTS IN A SINGLE DESIGN CONTRACT, OR USING PERFORMANCE SPECIFICATIONS FOR A DESIGN/BUILD CONTRACT.

IN THE PAST FEW YEARS, WE HAVE BEEN USING STANDARD DRAWINGS, DESIGNS OF PREVIOUS PROJECTS, OR STANDARD FLOOR PLANS FOR ABOUT 20 PERCENT OF OUR PROGRAM. WE EXPECT TO INCREASE THIS USE AS ADDITIONAL STANDARDS AND DESIGNS ARE DEVELOPED. SEVENTEEN PROJECTS IN OUR REQUEST WILL BE PACKAGED WITH OTHER PROJECTS TO BE DESIGNED BY A SINGLE FIRM AND TWO PROJECTS WILL BE DESIGNED UNDER DESIGN/BUILD CONTRACTS USING PERFORMANCE SPECIFICATIONS.

WE HAVE SEVEN PROJECTS IN OUR FY 1991 PROGRAM WHICH WE PLAN TO INCLUDE IN PACKAGED CONSTRUCTION CONTRACTS. REDUCED AMOUNTS ARE BEING REQUESTED FOR THESE PROJECTS IN THAT SAVINGS ARE EXPECTED THROUGH THE REDUCTION OF CONTRACTOR MOBILIZATION, MATERIAL ACQUISITION AND OVERHEAD COSTS.

HAVING PREVIOUS DUTY AS THE COMMANDING OFFICER OF TWO OF OUR ENGINEERING FIELD DIVISIONS, I CAN VOUCH FOR THE EXTRAORDINARY EFFORTS WE ARE EXPENDING TO AWARD OUR CONTRACTS AS EARLY AS POSSIBLE. EVEN WITH THE INCREASING NUMBER OF ENVIRONMENTAL, LEGAL AND DESIGN PROBLEMS BEING ENCOUNTERED IN THE EXECUTION OF OUR PROJECTS, WE WERE ABLE TO AWARD 93 PERCENT OF OUR FY 1989 PROJECTS DURING THE FISCAL YEAR. YOUR SUPPORT OF CONTINUED PRUDENT USE OF SPLIT-YEAR FUNDING AND YOUR PROMPT CONSIDERATION OF REPROGRAMMING REQUESTS ASSISTED US IN THIS ACCOMPLISHMENT.

I THANK YOU FOR YOUR SUPPORT IN THIS AREA AND LOOK FORWARD TO WORKING WITH YOU IN A JOINT EFFORT TO FURTHER STREAMLINE OUR ACQUISITION PROCESS.

PRIVATE FINANCING

WE ARE CONTINUING TO EXPLORE ADDITIONAL AVENUES FOR THE USE OF PRIVATE FINANCING TO PROVIDE FACILITIES NOT AVAILABLE DUE TO LIMITED MILITARY CONSTRUCTION FUNDING. PUBLIC/PRIVATE VENTURES

ARE BEING USED TO PROVIDE TIMELY FACILITIES AT LOWER LIFE CYCLE COSTS AND IN SOME INSTANCES SUCH AS OUR PRIVATELY FINANCED GEOTHERMAL PLANTS AND BACHELOR OFFICER QUARTERS, HAVE OR WILL RESULT IN CONSIDERABLE SAVINGS.

LEGISLATION YOU HAVE SUPPORTED, AND WE ARE CURRENTLY PURSUING FOR PUBLIC/PRIVATE VENTURE CONTRACTS, INCLUDES 10 USC 2828, LEASING OF MILITARY FAMILY HOUSING; 10 USC 2821, MILITARY HOUSING RENTAL GUARANTEE PROGRAM; 10 USC 2809, TEST OF LONG-TERM FACILITIES CONTRACT PROGRAM; 10 USC 2812, LEASE PURCHASE OF FACILITIES; 10 USC 2667, GENERAL OUTLEASES; 10 USC 2394, CONTRACTS FOR ENERGY OR FUEL; AS WELL AS OTHER SPECIFIC AUTHORITIES AND CONCESSION AUTHORITY FOR NONAPPROPRIATED FUNDED ACTIVITIES.

WE HAVE RECENTLY AWARDED OUR SECOND CONTRACT UNDER 10 USC 2809 AUTHORITY FOR BACHELOR OFFICER QUARTERS AT NAVAL SUBMARINE BASE, NEW LONDON, CONNECTICUT AND NAVAL EDUCATION AND TRAINING CENTER, NEWPORT, RHODE ISLAND. THIS INNOVATIVE CONTRACT DOES NOT COMMIT THE GOVERNMENT TO AN ANNUAL OUTLAY OF OPERATION AND MAINTENANCE FUNDS. CONVERSELY, IT WILL REDUCE OUR FUTURE OUTLAYS OF PERSONNEL FUNDS BY PROVIDING HIGH QUALITY, TRANSIENT QUARTERS AT RATES CONSIDERABLY LOWER THAN THOSE AVAILABLE IN THE COMMUNITIES. WE ARE IN VARIOUS STAGES IN THE DEVELOPMENT OF NUMEROUS OTHER 10 USC 2809 INITIATIVES AND EXPECT TO HAVE AWARDED BY THE END OF THIS FISCAL YEAR THE FIVE CONTRACTS AUTHORIZED FOR THE NAVY UNDER THE TEST PROGRAM. OF THE NAVY'S 6200 BUILD-TO-LEASE UNITS AUTHORIZED UNDER 10 USC 2828, 650 ARE OCCUPIED -300 AT NORFOLK, VIRGINIA; 200 AT MAYPORT FLORIDA; AND 150 AT EARLE, NEW JERSEY; 150 MORE ARE SCHEDULED TO BE COMPLETED AT EARLE BY JUNE 1990; ANOTHER 1800 UNITS ARE UNDER CONTRACT; AND PLANNING EFFORTS ARE UNDERWAY FOR THE 3600 REMAINING UNITS.

WE HAVE THREE PUBLIC/PRIVATE VENTURE CONTRACTS IN OPERATION FOR THE PURCHASE OF ENERGY UNDER THE 10 USC 2394 AUTHORITY. IN DECEMBER 1989 WE BEGAN PURCHASING STEAM PRODUCED AT NATURAL GAS-FIRED GENERATION PLANT IN SAN DIEGO, CALIFORNIA, AND A TRASH-FIRED CHARLESTON, SOUTH CAROLINA PLANT. AT CHINA LAKE, WE ARE CONTINUING TO PURCHASE ELECTRICITY PRODUCED FROM THE GEOTHERMAL PLANT THAT BECAME OPERATIONAL IN 1988. COST AVOIDANCES FOR THESE THREE PLANTS IS EXPECTED TO APPROACH $15 MILLION THIS FISCAL YEAR. WE HAVE SIX OTHER POTENTIAL PUBLIC/PRIVATE CONTRACTS FOR POWER PLANTS IN VARIOUS STAGES OF DEVELOPMENT. ALSO IN 1989 WE AWARDED OUR FIRST SHARED ENERGY SAVINGS CONTRACTS AT GREAT LAKES, ILLINOIS AND LONG BEACH, CALIFORNIA.

WE ARE CURRENTLY ACTIVELY INVOLVED IN CONSUMMATING OTHER PUBLIC/PRIVATE VENTURE INITIATIVES. THIS FALL WE EXPECT TO OBTAIN THE CITY OF SAN DIEGO'S APPROVAL OF AN AGREEMENT TO DEVELOP AT THE BROADWAY COMPLEX APPROXIMATELY 2.25 MILLION SQUARE FEET OF COMMERCIAL MIXED USE SPACE AND ONE MILLION SQUARE FEET OF NAVY OFFICE SPACE TO BE SUBSIDIZED BY THE COMMERCIAL DEVELOPMENT. HERE IN THE WASHINGTON AREA THE GSA HAS RECEIVED PRELIMINARY PROPOSALS FROM PRIVATE DEVELOPERS FOR APPROXIMATELY THREE MILLION SQUARE FEET OF NORTHERN VIRGINIA OFFICE SPACE FOR NAVY COMMANDS. EVALUATION IS UNDERWAY AND AN AWARD IS EXPECTED IN FISCAL YEAR 1991. WE ARE ALSO PROCEEDING WITH NEGOTIATIONS WITH THE STATE OF HAWAII TO CONSUMMATE AN AGREEMENT FOR THE SALE OF NAVY PROPERTY WITH THE PROCEEDS BEING USED FOR THE CONSTRUCTION OF A CAUSEWAY TO FORD ISLAND AND REPLACEMENT FACILITIES AS AUTHORIZED IN THE FY 1990 MILCON APPROPRIATIONS ACT. IN ADDITION, AS AUTHORIZED IN THE FY 1990 MILCON AUTHORIZATION ACT, WE HAVE FINALIZED AN AGREEMENT WITH THE NAVY MUTUAL AID ASSOCIATION TO PROVIDE A 50-YEAR NO-COST LEASE TO THE ASSOCIATION FOR USE OF APPROXIMATELY ONE-THIRD OF A 62,000 SQUARE FOOT MULTI-PURPOSE BUILDING TO BE BUILT WITH ASSOCIATION FUNDS. CONSTRUCTION IS EXPECTED TO BEGIN THIS YEAR.

MILITARY CONSTRUCTION

OUR FY 1991 NAVY AND MARINE CORPS MILITARY CONSTRUCTION REQUEST OF $1.113 BILLION IS ONLY SLIGHTLY LESS THAN THE $1.133 BILLION REQUESTED AND $1.139 BILLION APPROPRIATED LAST YEAR.

THIS REDUCTION REFLECTS THE RESULTS OF DIFFICULT DECISIONS. DESPITE DECLINING RESOURCES IN THE DEPARTMENT OF DEFENSE BUDGET, FACILITIES REQUESTS ARE HOLDING STEADY BECAUSE OF THE URGENT NEEDS AND AGING SHORE ESTABLISHMENT. WE CONTINUE TO PLACE EMPHASIS ON OUR MOST IMPORTANT PROBLEMS OF REPLACING AND MODERNIZING EXISTING FACILITIES. THIS YEAR, 65 PERCENT OF OUR MILITARY CONSTRUCTION PROJECTS ($669 MILLION) ARE IN SUPPORT OF CURRENT MISSION REQUIREMENTS. THIS REPRESENTS A CONSIDERABLE INCREASE FROM FY 1989 WHEN ONLY 36 PERCENT OF THE CONSTRUCTION PROJECTS ($518 MILLION) WERE FOR CURRENT MISSION REQUIREMENTS.

OVERSEAS CONSTRUCTION

A VERY SMALL BUT EXTREMELY IMPORTANT PART OF OUR MILITARY CONSTRUCTION PROGRAM THIS YEAR IS FOR OVERSEAS CONSTRUCTION. ONLY $48.6 MILLION OR 4.8 PERCENT OF OUR PROJECTS ARE FOR OVERSEAS ACTIVITIES. CAREFUL CONSIDERATION WAS GIVEN TO OVERSEAS FORCE LEVELS AS WELL AS BASE RIGHTS AGREEMENTS BEFORE INCLUDING THESE PROJECTS IN OUR BUDGET. THIS MODEST REQUEST IS FOR ESSENTIAL FACILITIES AT ACTIVITIES THAT WOULD BE AMONG THE LAST TO BE CONSIDERED IN AN OVERSEAS DRAWDOWN. OUR CONTINUED PRESENCE AT THESE ACTIVITIES IN GUAM, JAPAN, ICELAND, ITALY, SPAIN AND THE UNITED KINGDOM IS REQUIRED IF WE ARE TO MAINTAIN OUR FORWARD NAVAL PRESENCE AND MARITIME SUPERIORITY. I REALIZE THAT MAJOR OVERSEAS REDUCTIONS ARE BEING STRONGLY CONSIDERED BECAUSE OF THE RECENT DRAMATIC CHANGES IN EUROPE. I, HOWEVER, REQUEST THAT YOU GIVE CAREFUL CONSIDERATION TO THE CONTINUING NEED FOR THE MINIMUM NUMBER OF OVERSEAS PROJECTS IN OUR REQUEST, AND LEND YOUR SUPPORT FOR THEM.

QUALITY OF LIFE

THE SECRETARIES OF DEFENSE AND NAVY AND THE CHIEF OF NAVAL OPERATIONS HAVE ALL VOICED THEIR BELIEFS ON THE IMPORTANCE OF PROVIDING QUALITY WORKING AND LIVING CONDITIONS FOR OUR PEOPLE. MAINTAINING QUALITY PEOPLE, A KEY TO OUR READINESS, CAN ONLY BE ACCOMPLISHED IF WE PROVIDE THEM AND THEIR FAMILIES THE PROPER QUALITY OF LIFE. OUR ENTIRE MILCON AND FAMILY HOUSING PROGRAM

WILL HELP PROVIDE OUR PEOPLE THESE QUALITY CONDITIONS NOT ONLY IN THEIR LIVING AREAS, BUT WHERE THEY TRAIN AND WORK WHEN NOT ON BOARD SHIP. AN EXAMPLE OF OUR EMPHASIS ON QUALITY OF LIFE IN THIS YEAR'S PROGRAM IS THE $71 MILLION INCREASE IN OUR FAMILY HOUSING MAINTENANCE ACCOUNT TO IMPROVE THE LIVABILITY OF OUR EXISTING HOUSING UNITS. WE HAVE ALSO INCLUDED IN THIS YEAR'S PROGRAM $134.3 MILLION FOR 1,112 UNITS OF NEW FAMILY HOUSING AND $83.7 MILLION FOR 3,505 BACHELOR SAILORS AND MARINES.

STRATEGIC HOMEPORTING

THIS YEAR'S NAVY MILITARY CONSTRUCTION AND FAMILY HOUSING REQUEST INCLUDES THE LOWEST AMOUNT IN SUPPORT OF STRATEGIC HOMEPORTING SINCE THE PROGRAM'S INCEPTION IN FY 1986. FUNDING THROUGH FY 1990 TOTALS $641.3 MILLION WITH AN ADDITIONAL $40.4 MILLION APPROVED FOR FAMILY HOUSING AT NAVAL STATION STATEN ISLAND, NEW YORK. THIS YEAR, WE ARE REQUESTING $41.8 MILLION, INCLUDING $19.6 MILLION FOR 150 UNITS OF FAMILY HOUSING AT STATEN ISLAND AND $22.3 MILLION FOR UTILITIES, SITE IMPROVEMENTS AND SUPPORT FACILITIES AT NAVAL STATION EVERETT, WASHINGTON. THIS WILL PROVIDE US THE NECESSARY FUNDING TO BERTH THE APPROPRIATE COMBAT AND SUPPORT SHIPS AT THESE LOCATIONS.

RELATED FUNDING SCHEDULED TO BE ADDRESSED AT A FUTURE BASE CLOSURE HEARING, IS BEING REQUESTED UNDER THE BASE CLOSURE ACCOUNT. THIS REQUEST INCLUDES ADDITIONAL WORK AT STATEN ISLAND; EVERETT; NAVAL STATION INGLESIDE, TEXAS; AND NAVAL STATION PEARL HARBOR, HAWAII. THE ADDITIONAL WORK AT STATEN ISLAND IS THE RESULT OF THE CLOSURE OF NAVAL STATION BROOKLYN, NEW YORK; AT EVERETT FOR THE CLOSURE OF A PORTION OF NAVAL STATION PUGET SOUND, WASHINGTON; AT INGLESIDE FOR NOT COMPLETING NAVAL STATION GALVESTON, TEXAS; AND NAVAL STATION LAKE CHARLES, LOUISIANA; AND AT PEARL HARBOR BECAUSE OF THE BASE CLOSURE COMMISSION'S RECOMMENDATION NOT TO EXECUTE STRATEGIC HOMEPORTING CONSTRUCTION AT NAVAL STATION, SAN FRANCISCO (HUNTERS POINT), CALIFORNIA.

FUTURE REQUESTS FOR OUR STRATEGIC HOMEPORTING SITES WILL INCLUDE ADDITIONAL REQUIREMENTS UNDER THE BASE CLOSURE ACCOUNT AND ADDITIONAL FOLLOW-ON MILITARY CONSTRUCTION PROJECTS THAT SURVIVE THE NORMAL COMPETITION FOR FLEET RESOURCES, INDEPENDENT OF THE STRATEGIC HOMEPORTING PROGRAM.

TRIDENT

INCLUDED IN OUR REQUEST IN MINIMUM ESSENTIAL SUPPORT OF OUR TRIDENT D-5 SYSTEM IS $66.4 MILLION FOR NAVAL SUBMARINE BASE KINGS BAY, GEORGIA AND $56.5 MILLION FOR STRATEGIC WEAPONS FACILITY PACIFIC, SILVERDALE (BANGOR), WASHINGTON. OUR REQUEST FOR KINGS BAY IS THE LAST MAJOR PROGRAM FOR OUR EAST COAST BASE WHICH WILL REACH ITS INITIAL OPERATIONAL CAPABILITY (IOC) IN APRIL 1990. THE THIRD TRIDENT II SUBMARINE WILL ARRIVE AT KINGS BAY LATER THIS YEAR. AT SILVERDALE, WE ARE REQUESTING OUR FIRST MAJOR INCREMENT TO UPGRADE THE EXISTING ACTIVITY FROM TRIDENT I/C-4 TO TRIDENT II/D-5 CAPABILITY. THE FACILITIES IN THIS REQUEST ARE REQUIRED TO PROVIDE FOR THE TIMELY DEVELOPMENT OF THE BASE SUPPORT REQUIRED FOR THE SCHEDULED ARRIVAL OF THE FIRST TRIDENT II SUBMARINE IN 1995. YOUR SUPPORT OF OUR TRIDENT PROGRAMS IS ESSENTIAL IF WE ARE TO REALIZE THE MOST COST-EFFECTIVE AND SURVIVABLE ELEMENT OF OUR NATION'S STRATEGIC DETERRENT CAPABILITY.

FAMILY HOUSING

FINALLY, I WOULD LIKE TO BRIEFLY DISCUSS OUR FAMILY HOUSING PROGRAM. OUR TOTAL FISCAL YEAR 1991 REQUEST FOR FAMILY HOUSING IS $904.5 MILLION, A 13 PERCENT INCREASE FROM THE $798.3 MILLION APPROPRIATED IN FISCAL YEAR 1990.

THE FY 1991 NEW CONSTRUCTION PROGRAM PROVIDES 1,112 NEW UNITS AT FOUR LOCATIONS WITHIN THE UNITED STATES AND TWO ISOLATED LOCATIONS OVERSEAS, NAVAL STATION, GUANTANAMO BAY, CUBA; AND NAVAL AIR STATION, KEFLAVIK, ICELAND. IT ALSO PROVIDES FOR ESSENTIAL SUPPORT FACILITIES AT FOUR LOCATIONS. IN FY 1991, WE HAVE INCREASED OUR NEW CONSTRUCTION FUNDING TO CONTINUE OUR PROGRAMMING GOAL OF ELIMINATING THE FAMILY HOUSING

DEFICIT AND TO REPLACE OLD, WORN-OUT SUPPORT FACILITIES THAT ARE NO LONGER ECONOMICAL TO REPAIR OR RETAIN. THE LOCATIONS SELECTED FOR NEW CONSTRUCTION ARE THOSE AREAS WHERE HOUSING IN THE LOCAL COMMUNITY IS SIMPLY NOT AVAILABLE, INSUFFICIENT OR UNAFFORDABLE EVEN WITH THE VARIABLE HOUSING ALLOWANCE. THE ADVERSE EFFECTS ON THE MORALE OF OUR PEOPLE, BROUGHT ABOUT BY LACK OF HOUSING, CAUSE RETENTION PROBLEMS WHICH EVENTUALLY LEAD TO A DIMINISHED READINESS POSTURE.

ALTHOUGH WE ARE STILL PURSUING OUR LONG-TERM PLAN TO ELIMINATE THE FAMILY HOUSING DEFICIT, THE FY 1991 PROGRAM CONTINUES THE EMPHASIS BEGUN LAST YEAR TO TAKE CARE OF OUR CURRENT INVENTORY AND REDUCE THE GROWING BACKLOG OF MAINTENANCE AND REPAIR. WE HAVE INCREASED THE FUNDING FOR OUR MAINTENANCE PROGRAM BY $71.0 MILLION FROM $300.0 MILLION IN FY 1990 TO $371.0 MILLION FISCAL YEAR 1991, PRIMARILY TO ACCOMPLISH MAJOR REPAIR PROJECTS. FUNDING THIS LEVEL OF EFFORT WILL REDUCE THE NAVY'S BACKLOG FROM THE CURRENT $777 MILLION TO $656 MILLION BY THE END OF FY 1991.

OUR PLAN ALSO INCLUDES $42.4 MILLION FOR THE IMPROVEMENTS PROGRAM TO PROVIDE NAVY AND MARINE CORPS FAMILIES WITH PLACES TO LIVE THAT COMPARE FAVORABLY WITH THOSE FOUND IN THE LOCAL COMMUNITY. THIS PROGRAM IS STABLE COMPARED TO THE AMOUNT APPROPRIATED IN FISCAL YEAR 1990 AND ALLOWS ONLY FOR INFLATION.

OUR LEASING REQUEST INCLUDES $26.5 MILLION TO SUPPORT OUR BUILD-TO-LEASE PROJECTS THAT I PREVIOUSLY DISCUSSED.

THE OPERATIONS AND UTILITIES ACCOUNTS ARE $294.5 MILLION IN FISCAL YEAR 1991. THESE ACCOUNTS ARE ALSO STABILIZED, ALLOWING ONLY FOR INFLATION AND NEW UNITS COMING ON LINE. THIS AMOUNT PROVIDES THE MINIMUM AMOUNT REQUIRED TO OPERATE OUR FAMILY HOUSING UNITS.

CONCLUSION

MR. CHAIRMAN, THE REQUEST BEFORE YOU INCLUDES ONLY THE SURVIVORS IN A VERY COMPETITIVE PROGRAMMING AND BUDGETING PROCESS. THROUGHOUT THE PROCESS, EMPHASIS WAS PLACED ON

PROVIDING A REQUEST THAT WOULD BE CONSISTENT WITH POTENTIAL FORCE STRUCTURE, BASE CLOSURE, OR BASE REALIGNMENT DECISIONS. EACH OF THE PROJECTS WILL CONTRIBUTE TO THE READINESS OF THE NAVY, PROVIDING ESSENTIAL FACILITY SUPPORT FOR NEW AND EXISTING MISSIONS. WE URGE YOUR FAVORABLE CONSIDERATION OF THE REQUEST.

BIOGRAPHY OF REAR ADM. DAVID E. BOTTORFF

Rear Admiral David E. Bottorff, CEC, USN, assumed duty as Commander, Naval Facilities Engineering Command, and Chief of Civil Engineers during change of command ceremonies on Oct. 27, 1989.

Rear Admiral Bottorff was born in Saint Joseph, Mo., on June 3, 1937. He graduated with distinction from the U.S. Naval Academy and was commissioned a Navy Civil Engineer Corps Ensign in 1959. He received a bachelor's degree in civil engineering from Rensselaer Polytechnic Institute in 1961 and earned a master's degree in civil engineering in 1968 at Stanford University. He returned to Stanford University as a Chief of Naval Operations Scholar and received a master's degree in business administration in 1974. Rear Admiral Bottorff graduated from the National War College, Washington, D.C., in 1980.

Early tours included Assistant Public Works Officer and Assistant Resident Officer in Charge of Construction at the New York Naval Shipyard; Program Manager for the Officer in Charge of Construction, Southeast Asia in Bangkok, Thailand; Program Manager for the Pacific Division, Naval Facilities Engineering Command in Pearl Harbor, Hawaii; and Executive Officer of U.S. Naval Mobile Construction Battalion 133. Subsequently, he served as the Operations Officer of Public Works Center, San Diego; Director of Program Management and Deputy Officer in Charge of Construction, Bethesda, Md.; and the Civil Engineer Corps Detailer in Washington, D.C.

In August 1980, Rear Admiral Bottorff assumed command of Public Works Center, San Francisco Bay, and in June 1982 began a tour as the Commanding Officer of the Southern Division, Naval Facilities Engineering Command in Charleston, S.C. From July 1984 until January 1986, he served as the Head of the Program Appraisal and Information Branch on the staff of the Chief of Naval Operations and as Deputy Director of the Department of the Navy Program Information Center. During that tour he was selected for flag rank, effective in January 1986.

On Feb. 28, 1986, he became the Commander, Atlantic Division, Naval Facilities Engineering Command, Norfolk, Va. He held that position when selected for a second star in October 1988.

Personal decorations presented to Rear Admiral Bottorff include the Legion of Merit with two Gold Stars, the Bronze Star Medal with Combat "V," the Meritorious Service Medal with Gold Star, the Air Force Commendation Medal, the Navy Achievement Medal and the Combat Action Ribbon.

Rear Admiral Bottorff is married to the former Marjorie A. Ward of Kansas City, Mo. They have two sons, David Scott and John Ward.

U.S. MARINE CORPS

STATEMENT OF BRIG. GEN. W.T. ADAMS, U.S. MARINE CORPS, DIRECTOR, FACILITIES AND SERVICES DIVISION, INSTALLATIONS AND LOGISTICS DEPARTMENT, HEADQUARTERS, U.S. MARINE CORPS

SUMMARY STATEMENT

Senator SASSER. We will now turn to General Adams.

General ADAMS. Thank you. I am Brig. Gen. Tom Adams, Director of Facilities and Services from the Installations and Logistics Department of Marine Corps Headquarters.

I thank you for the opportunity to appear before you to present our military construction and family housing proposals for fiscal year 1991. All marines appreciate your past support for these programs, which have allowed the Marine Corps to acquire much-needed housing, training, maintenance, and administrative facilities. With your approval, I will submit my full statement for the record and briefly summarize some of the highlights at this time.

This year, our military construction and family housing requests are $139 million for 23 projects and $136 million respectively. That is only 3 percent of the total DOD budget submit.

The requests are smaller than both the fiscal year 1990 and fiscal year 1989 requests. This decrease should not be construed, however, as being reflective of a declining need for facilities to accommodate new and current missions. Rather, it reflects the result of very difficult budget decisions.

The keen competition for scarce resources has had the effect of providing for only our absolute, highest priority requirements. This can be principally attributed to the continued budget pressures on the Marine Corps budget brought about by significant general budget reductions across the board.

With regard to base closures, as I am sure you are aware, we have no base closures directed on the base closure list, or none proposed from the recent base closure proposals. Despite its relatively small size, our military construction and family housing programs do provide a balanced program which we believe represents what is most essential to enable us to attract and retain quality marines and maintain a high level of operational readiness and war-fighting capability. With the support of the Congress, we have made significant improvements. I would, however, be remiss if I failed to point out that we are a long way from achieving our ultimate goal, which is excellent facilities to support all of our mission requirements. We ask your assistance again this year in helping us along toward that goal.

PREPARED STATEMENT

Mr. Chairman, this concludes my brief overview, and I will be happy to attempt to answer any of your questions.

[The statement follows:]

STATEMENT OF BRIG. GEN. W.T. ADAMS

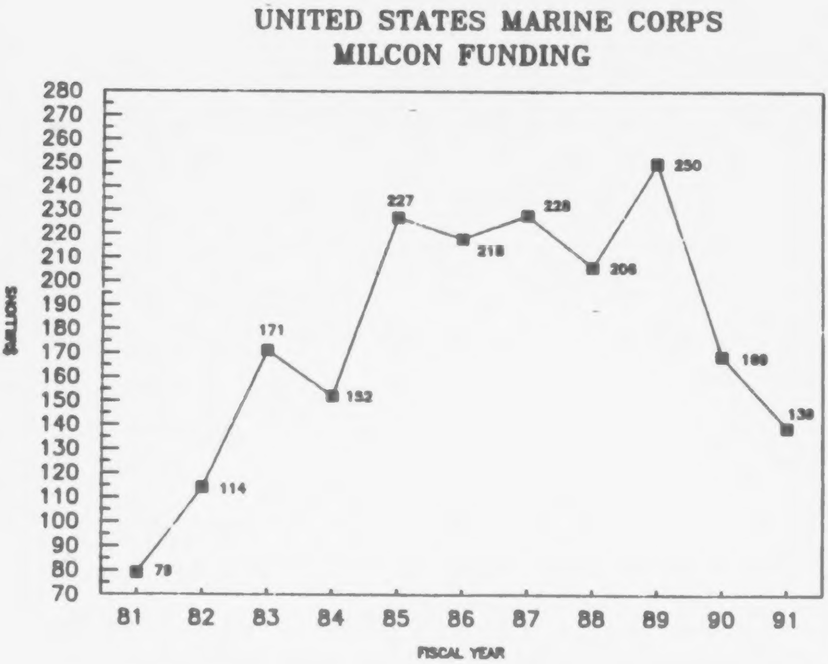
MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I AM BRIGADIER GENERAL W. T. (TOM) ADAMS, DIRECTOR, FACILITIES AND SERVICES DIVISION, INSTALLATIONS AND LOGISTICS DEPARTMENT, HEADQUARTERS, U.S. MARINE CORPS. I APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE YOU TO REVIEW THE MARINE CORPS MILITARY CONSTRUCTION PROGRAM FOR FISCAL YEAR (FY) 1991. OUR MILITARY CONSTRUCTION REQUEST FOR FISCAL YEAR 1991 OF $139 MILLION PROVIDES THE FACILITIES NEEDED TO RESPOND TO THE MARINE CORPS HIGHEST PRIORITIES FOR IMPROVING READINESS, AND SUSTAINING OUR FORCES. THE REQUEST IS SMALLER THAN BOTH THE FY 1990 AND FY 1989 SUBMISSIONS. THE REDUCTION SHOULD NOT BE CONSTRUED AS BEING REFLECTIVE OF A DECLINING NEED FOR FACILITIES TO ACCOMMODATE NEW AND CURRENT MISSIONS. IT DOES, HOWEVER, REFLECT THE RESULTS OF DIFFICULT BUDGET DECISIONS. THE KEEN COMPETITION FOR THESE SCARCE RESOURCES HAS HAD THE EFFECT OF PROVIDING FOR ONLY OUR HIGHEST PRIORITY REQUIREMENTS. THE REQUEST CONTINUES EFFORTS INITIATED IN PRIOR YEARS TO SUPPORT BOTH NEW AND EXISTING MISSIONS WITH EMPHASIS BEING PLACED ON PROVIDING FACILITIES THAT PROMOTE PERSONNEL AND MATERIEL READINESS, ENHANCE PRODUCTIVITY, IMPROVE MORALE AND WELFARE, AND PROVIDE THE QUALITY-OF-LIFE IMPROVEMENTS NECESSARY TO ATTRACT AND RETAIN DEDICATED MEN AND WOMEN FOR THE MARINE CORPS. WITH THE SUPPORT OF CONGRESS, WE HAVE MADE SIGNIFICANT IMPROVEMENTS. I WOULD, HOWEVER, BE REMISS IF I FAILED TO POINT OUT THAT WE ARE A LONG WAY FROM ACHIEVING OUR ULTIMATE GOAL - EXCELLENT FACILITIES TO SUPPORT ALL OUR MISSION REQUIREMENTS.

YOUR PAST SUPPORT FOR OUR PROGRAM HAS BEEN SUPERB AND WE ARE MOST GRATEFUL. IT REFLECTS YOUR APPRECIATION OF THE RELATIONSHIP BETWEEN EXCELLENT FACILITIES AND WARFIGHTING CAPABILITY. MODERN ADEQUATE FACILITIES HAVE CONTRIBUTED SIGNIFICANTLY TO IMPROVED MISSION CAPABILITY, PRODUCTIVITY, READINESS AND SUSTAINABILITY

AND HAVE HAD A VISIBLE IMPACT ON MORALE AND RETENTION. CHART 1 REFLECTS OUR PROGRAM SINCE 1982 WHEN THE MARINE CORPS ASSUMED RESOURCE SPONSORSHIP FOR MILITARY CONSTRUCTION.

CHART 1



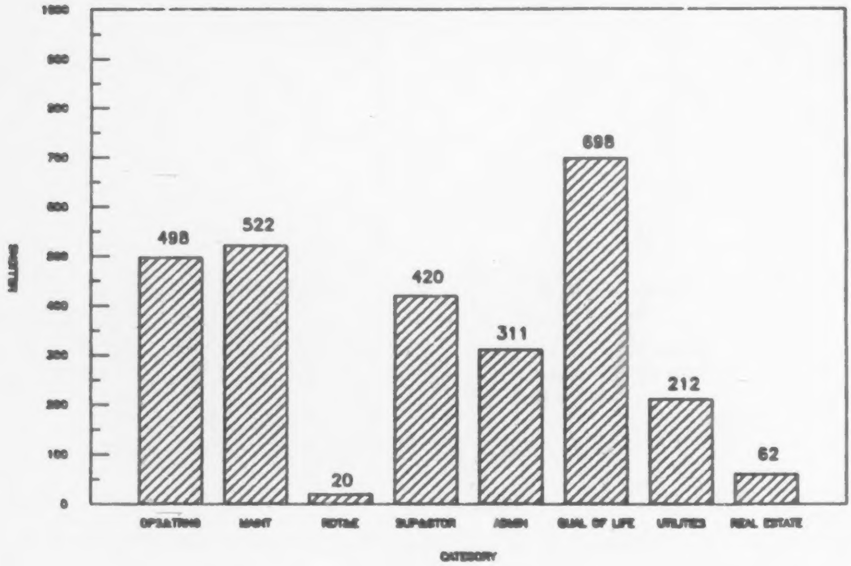
HOWEVER, PROGRAM GROWTH HAS BEEN TEMPORARILY SUSPENDED. OUR FY 1990 MILITARY CONSTRUCTION REQUEST WAS 32.4 PERCENT LESS THAN THE REQUEST SUBMITTED AND APPROVED FOR FY 1989 AND OUR FY 1991 REQUEST DECREASES ANOTHER 18 PERCENT FROM FY 1990. THIS DECREASE SHOULD NOT BE CONSTRUED AS A WEAKENING OF OUR COMMITMENT TO REPLACE AND UPGRADE OUR PHYSICAL PLANT, BUT RATHER IT MAY BE PRINCIPALLY ATTRIBUTED TO THE PRESSURES ON THE MARINE CORPS BUDGET BROUGHT ABOUT BY GENERAL BUDGET REDUCTIONS. WE HOPE TO HALT THIS DECLINE IN FY 1992 AND RESUME AN UPWARD TREND. BECAUSE OF CURRENT BUDGET CONSTRAINTS, WE MUST WAIT TO ADDRESS OUR $2.8

BILLION FACILITIES BACKLOG, REFLECTED ON CHART 2, FOR BETTER TIMES.

CHART 2

MILCON DEFICIENCY

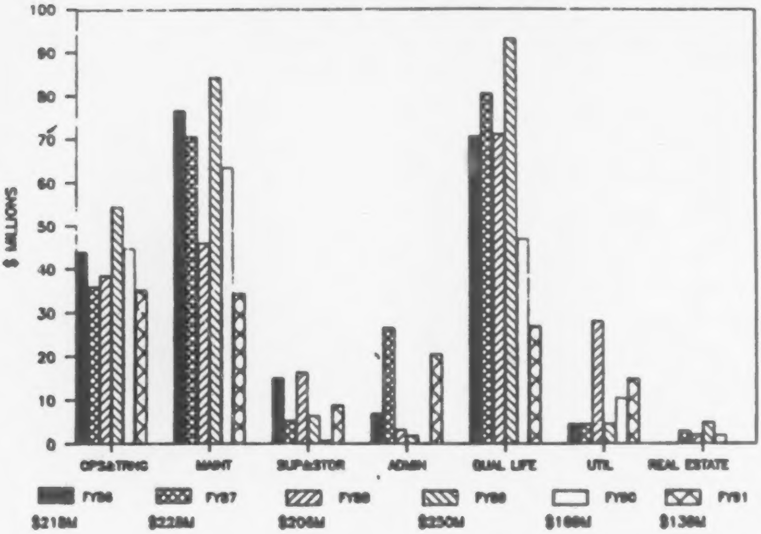
TOTAL (INCLUDES P&D) = $2.8 BILLION



DESPITE ITS SIZE, THE MARINE CORPS MILITARY CONSTRUCTION PROGRAM CONTINUES TO BE AN INTEGRAL ELEMENT OF OUR COMBINED ARMED FORCES MODERNIZATION AND THE MARINE CORPS REMAINS COMMITTED TO PROVIDING THE EXCELLENT FACILITIES NEEDED TO MEET ALL OUR REQUIREMENTS. THE MARINE CORPS CONSTRUCTION REQUESTS OVER THE PAST FEW YEARS HAVE PROVIDED BALANCED PROGRAMS THAT HAVE BEEN APPLIED AGAINST NEEDED FACILITY IMPROVEMENTS IN OPERATIONS AND TRAINING, MAINTENANCE, SUPPLY AND STORAGE, ADMINISTRATION, QUALITY-OF-LIFE, AND UTILITY SYSTEM UPGRADES AS SHOWN ON CHART 3.

CHART 3

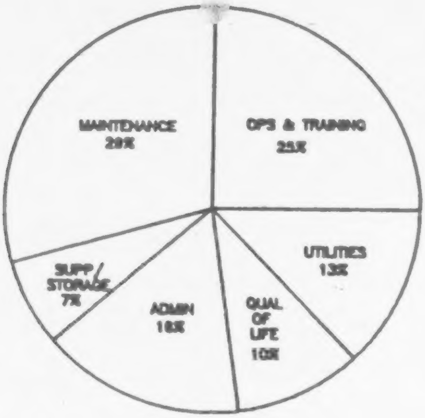
MILCON PROGRAM



IN FY 1991 MILITARY CONSTRUCTION RESOURCES CONTINUE TO BE ALLOCATED TO SUPPORT THE NEW WEAPONS SYSTEMS AND EQUIPMENT FIELDED IN THE EARLY 80'S; TO PROPERLY HOUSE OUR ENLISTED MARINES; TO REPLACE THOSE AGING FACILITIES WHICH ARE BEYOND PRUDENT ECONOMIC REPAIR; AND THEN TO SATISFY OUR EXISTING DEFICIENCIES. THIS BALANCED PROGRAM IS CONSISTENT WITH OUR PAST MANAGEMENT STRATEGY AND IS IN RESPONSE TO THE MARINE CORPS MOST URGENT NEEDS, AS REFLECTED ON CHART 4.

CHART 4

MARINE CORPS MILITARY CONSTRUCTION (MILCON) DISTRIBUTION FY91



OUR FY 1991 REQUEST PLACES LESS EMPHASIS ON QUALITY-OF-LIFE PROJECTS BY NECESSITY. DURING THE LAST DECADE THE MARINE CORPS DEVOTED NEARLY 40 PERCENT OF ITS MILITARY CONSTRUCTION BUDGET ($623 MILLION) TO THE CONSTRUCTION OF OVER 38,000 BACHELOR ENLISTED QUARTERS (BEQ) SPACES, WHICH HAS GONE A LONG WAY TOWARD COMING TO GRIPS WITH OUR DEFICIT. FOR FY 1991, $6.7 MILLION IS REQUESTED FOR 316 LIVING SPACES, AND $7.1 MILLION FOR A MESSHALL AND A MUCH NEEDED CLOTHING ISSUE FACILITY FOR ONE OF OUR RECRUIT DEPOTS. ALL OF THESE PROJECTS ARE AN INDISPENSABLE INVESTMENT IN THE FUTURE AND REPRESENT, IN A TANGIBLE WAY, OUR CONTINUED COMMITMENT TO IMPROVE THE QUALITY-OF-LIFE FOR OUR MARINES.

THE INTRODUCTION OF NEW WEAPONS SYSTEMS REQUIRES SUPPORT FACILITIES TO EFFICIENTLY MAINTAIN AND CONSERVE THESE ASSETS. OUR FY 1991 REQUEST CONTINUES TO PROVIDE THIS SUPPORT TOTALLING $10.3 MILLION AND CONSISTS OF THREE PROJECTS AT THREE MARINE CORPS ACTIVITIES.

THE AVIATION READINESS PROJECTS FOR FY 1991 INCLUDE: AN AIRCRAFT RINSE FACILITY; AN AVIATION SUPPLY WAREHOUSE; A HANGAR CONVERSION; A WEIGHT HANDLING EQUIPMENT SHOP; AND AN OPERATIONAL/ TRAINING FACILITY.

MAINTENANCE FACILITIES ARE ALSO REQUESTED TO SUPPORT UNITS AT OUR MAJOR GROUND BASES INCLUDING ONE INTERMEDIATE-LEVEL MAINTENANCE FACILITY; A COMMUNICATIONS-ELECTRONIC MAINTENANCE FACILITY, AND TWO TACTICAL VEHICLE MAINTENANCE SHOPS.

OUR 1991 REQUEST AGAIN EMPHASIZES OUR COMMITMENT TO IMPROVING THE OPERATIONAL AND TRAINING ENVIRONMENT FOR OUR MARINES. WE ARE REQUESTING $34.5 MILLION FOR THE CONSTRUCTION OF OPERATIONAL AND TRAINING PROJECTS AT FOUR MARINE CORPS ACTIVITIES. THESE PROJECTS, ESSENTIAL TO OUR TRAINING AND READINESS, WILL PROVIDE FACILITIES SUCH AS: A MECHANICS TRAINING BUILDING; TWO MILITARY OPERATIONS IN URBANIZED TERRAIN FACILITIES; AND THE MARINE CORPS RESEARCH CENTER.

LASTLY, IS A REQUEST FOR $49.2 MILLION WHICH WILL PROVIDE: WASTE AND WATER TREATMENT FACILITIES; WATER STORAGE DEVELOPMENT; A REGIONAL AUTOMATED SERVICE CENTER; A HAZARDOUS AND FLAMMABLE STOREHOUSE; A LOGISTICS SUPPORT FACILITY; AND A COMBAT DEVELOPMENT CENTER THAT IS ASSOCIATED WITH OPERATIONS, INTELLIGENCE, AND COMPUTER SUPPORT FUNCTIONS. THESE PROJECTS MAY NOT SEEM VERY GLAMOROUS, BUT THEY ARE ESSENTIAL IN SUPPORTING OUR OPERATING FORCES AND MAINTAINING OUR BASE INFRASTRUCTURE.

MARINE CORPS RESERVE

BEGINNING WITH THE FY 1990 PROGRAM, THE MARINE CORPS ASSUMED BUDGETING RESPONSIBILITY FOR ITS RESERVE FACILITIES. THIS RESPONSIBILITY CONTINUES INTO FY 1991 AND BEYOND BY THE MARINE CORPS CONTRIBUTING A PORTION OF ITS TOTAL OBLIGATIONAL AUTHORITY TO THE MILITARY CONSTRUCTION, NAVAL RESERVE (MCNR) PROGRAM FOR

THE CONSTRUCTION OF MARINE CORPS RESERVE EXCLUSIVE USE PROJECTS. FUNDING OF MARINE CORPS RESERVE EXCLUSIVE PROJECTS HAS VARIED WIDELY OVER THE PAST YEARS. BECOMING OUR OWN RESOURCE SPONSOR HAS ENABLED THE MARINE CORPS TO MORE FULLY ADDRESS OUR RESERVE MILITARY CONSTRUCTION NEEDS, AND HOPEFULLY, WILL LEAD TO INCREASED AND STABLE FUNDING LEVELS. THE FY 1991 PROGRAM WILL FUND ONLY ONE PROJECT, AN ESSENTIAL HANGAR FOR A NEWLY ACTIVATED RESERVE AH-IJ HELICOPTER SQUADRON AT MCAS CAMP PENDLETON, CALIFORNIA, FOR $8.1 MILLION. THE MARINE CORPS PORTION OF THE MCNR BACKLOG HAS BEEN REDUCED FROM $94.08 MILLION TO $89 MILLION DUE TO A CONGRESSIONAL ADD TO THE FY 1990 BUDGET OF THE CORROSION CONTROL HANGAR AT STEWART, NEW YORK. BECAUSE OF THIS TYPE OF CONTINUING SUPPORT OF THE RESERVES, WE NO LONGER HAVE UNFUNDED PENDING PROJECTS AT STEWART FOR THE KC-130T SQUADRON.

THERE IS CONTINUED EMPHASIS, AS FUNDING IS AVAILABLE, TO REPLACE AND RENOVATE OUR TRAINING FACILITIES, AS WE HAVE FOUND THAT QUALITY TRAINING FACILITIES DIRECTLY IMPACT ON THE READINESS, RETENTION, AND MORALE OF OUR RESERVE COMPONENT.

FAMILY HOUSING

IN RECENT YEARS, THE MARINE CORPS HAS MADE STEADY PROGRESS IN IMPROVING THE QUANTITY AND QUALITY OF OUR FAMILY HOUSING ASSETS. HOWEVER, OUR CONSTRUCTION PROGRAM CANNOT KEEP PACE WITH THE SPIRALING COST OF LIVING IN SOUTHERN CALIFORNIA. YOU RECOGNIZED THIS IN OUR FY 1990 FAMILY HOUSING REQUEST BY ADDING AN ADDITIONAL $30 MILLION FOR CONSTRUCTION OF 383 HOMES IN SOUTHERN CALIFORNIA. OUR CURRENT HOUSING DEFICIT STILL EXCEEDS OVER 5,000 HOMES IN SOUTHERN CALIFORNIA. THE MARINE CORPS FY 1991 HOUSING PROGRAM IS CONSTRAINED TO $135.8 MILLION. WE PROPOSE TO CONSTRUCT 116 FAMILY HOUSING UNITS FOR A TOTAL OF $11.8 MILLION LOCATED AT CAMP PENDLETON, CALIFORNIA. THE FISCAL YEAR 1991 IMPROVEMENTS PROGRAM REQUIRES $4.5 MILLION, AND

OPERATION AND MAINTENANCE COSTS ARE ESTIMATED AT $118.9 MILLION. INCLUDED IN THE MAINTENANCE COSTS ARE REHABILITATION PROJECTS ON 1,238 HOMES IN FOUR LOCATIONS ESTIMATED AT $39 MILLION. WE RECOGNIZE THE DIRECT LINK BETWEEN HOUSING PEOPLE WELL AND INCREASING MISSION CAPABILITY. WE WANT TO PROVIDE OUR MARINES WITH THE BASIC HUMAN NEED OF SAFE SECURE HOMES FOR THEIR FAMILIES.

SUMMARY

MR. CHAIRMAN, IN SUMMARY, PERMIT ME TO EMPHASIZE AGAIN OUR APPRECIATION FOR THIS COMMITTEE'S CONTINUED SUPPORT. THE MILITARY CONSTRUCTION PROGRAM FOR FY 1991 REPRESENTS THE MARINE CORPS ASSESSMENT OF REQUIREMENTS AND RELATIVE PRIORITIES NEEDED TO BEST CARRY OUT MISSION RESPONSIBILITIES. OUR PROGRAM IS VERY MODEST, BUT WELL STRUCTURED AND IS THE RESULT OF A CAREFUL, WELL REASONED, AND THOROUGH DECISION PROCESS BASED ON OUR BEST JUDGMENT AND OPERATIONAL EXPERIENCE. IT PLACES HIGH PRIORITY ON READINESS AND SUSTAINABILITY OF OUR FORCES, ENSURES TIMELY SUPPORT FOR FIELDING NEW WEAPONS SYSTEMS, AND CONTINUES OUR COMMITMENT TO IMPROVE THE QUALITY-OF-LIFE OF OUR MARINES AND THEIR FAMILIES WHILE BEING CONSISTENT WITH FISCAL REALITIES. OUR REQUEST PROVIDES A BALANCED PROGRAM, WHICH WE BELIEVE REPRESENTS WHAT IS ESSENTIAL TO SUPPORT MARINE CORPS MISSIONS AND THAT IS RESPONSIVE TO THE GUIDANCE OF THE CONGRESS.

APPROVAL OF THIS REQUEST WILL CONTINUE THE EFFORTS OF THE CONGRESS AND THE MARINE CORPS TO PROVIDE MODERNIZED FACILITIES ENABLING US TO ATTRACT AND RETAIN QUALITY MARINES AND MAINTAIN A HIGH LEVEL OF OPERATIONAL READINESS AND WARFIGHTING CAPABILITY. WE URGE YOUR FAVORABLE CONSIDERATION OF OUR FY 1991 MILITARY CONSTRUCTION REQUEST.

SIR, THIS CONCLUDES MY STATEMENT. I WOULD BE PLEASED TO PROVIDE ANY FURTHER INFORMATION YOU MAY NEED, AND TO ANSWER ANY QUESTIONS WHICH YOU MAY HAVE.

OPERATION UGLY BABY

Senator **Sasser**. Thank you very much, General Adams.

Gentlemen, Senator Reid is under some time constraints.

Senator **Reid**. Mr. Chairman, it appears that I do not have anything until noon and it is with Bennett Johnston. I will call and try to get that delayed so you can please proceed under regular order.

Senator **Sasser**. I will be pleased to yield to you.

Senator **Reid**. I have just a few questions, if that is OK, then. I just do not like to be out of order because everyone is busy.

Admiral, I am concerned about a couple of things as I indicated in my opening statement, one of which is Operation Ugly Baby—and that was named by the Navy, not us. I am concerned about whether all the bombs have been picked up. You know, we cannot get answers to that question from your people at Fallon. Do you know the answer?

Admiral **Bottorff**. No, sir; I do not. I can provide that for the record.

Senator **Reid**. Do you think anybody knows? I mean really, this is getting—we know that there were 2,000 bombs in public areas. Most of those were above-ground. We have been told there are a number of bombs right under the ground that you cannot see. Could somehow the people in Nevada find out about that?

Admiral **Bottorff**. Let me suggest, sir, that I put together a team who has the latest information on this, then come see you, and perhaps the rest of the Nevada delegation, because I recognize from your statement that there are some concerns here.

Senator **Reid**. You know, Admiral, I will just say here publicly I have had really fine relations with the commanders of the Fallon Naval Air Station until the latest, a man by the name of Racowitz. I do not know if it is a matter of coincidence, or his having taken courses in poor public relations, but as far as I am concerned, he has been a disaster for the Navy.

His statements have been out of line, and unresponsive. We are proud of Fallon Naval Air Station, but lately what has been going on—you know there has been an allegation of the largest oilspill in Nevada at the Fallon Naval Air Station, and the records have been lost, supposedly. No one seems to know anything about that. The State is now conducting their own investigation into that. I would like you to add that to the list of things we would like you to look into.

RESTRICTED AIR SPACE IN NEVADA

Also, the State of Nevada—40 percent of the State of Nevada is restricted air space because of the military. We have heard that the Navy wants more air space. Now, there might be something that could be worked out, but we are going to have to find out what the appetite of the Navy is and whether some of the other military operations in Nevada can give up a little of theirs, because the State really does not want to give up more of its air space. It is hard to fly through Nevada now. So that would be another thing I would like you to add to the list.

The problem we have with air space, Admiral, is that we do not want the Navy being able to do something indirectly that they cannot do directly. The fact that this is one of Racowitz—and I use this as a term. One of the things that has come up lately is that now it appears that the Navy is saying well, this land where all the bombs were dropped by mistake, it is no good for anything, anyway, why don't you give it to us? It seems that you are trying to do indirectly what you cannot do directly. Do you understand that point?

Admiral **Bottorff**. Yes, sir.

HOUSING AT FALLON

Senator **Reid**. I would like to get something there. Admiral, maybe—well, also, changing the subject a little bit, we had an item for housing at Fallon in the budget that looks like it slipped. Do you know where the housing for Fallon now is?

Admiral **Bottorff**. Yes, sir; we had under consideration a section 801 housing project for Fallon. After reviewing the backlog at Fallon, we have, I believe, a deficit of 111. We think that is probably too small for a valid section 801 housing project there. We will look at that again in view of the total shake-down of the shore establishment in responding to a new force structure, and we will just see what comes out of that. I think we are a little cautious with that project now.

Senator **Reid**. Of course, with Fallon, if the information we have had—and if you have anything contrary I would be interested in that, but the problem is that Fallon instead of getting less busy with everything going on they have gotten more busy because the Navy is directing all of their resources for fighter trainers to this facility and the housing has become a real, real problem in that area.

I do not understand all the mechanics of an 801, but all I know is that there are no houses there for the military coming in and out of Fallon and they cannot get temporary housing. As you know, renting homes for a month or two is very difficult, and it makes it even more difficult when there are no homes to rent.

I would appreciate in the next couple of weeks, then, if you could arrange something. We are in recess next week, so maybe the week after, if you could get everything together.

Admiral **Bottorff**. Yes, sir.

Senator **Reid**. Thank you very much, Mr. Chairman.

Senator **Sasser**. Thank you, Senator Reid. Senator Grassley?

Senator **Grassley**. I think I would ask my questions first to——

Senator **Reid**. Excuse me, Senator Grassley, I forgot one question. I will just be very quick.

Senator **Grassley**. Please go ahead.

COMBAT SEARCH AND RESCUE MISSION TRAINING SITE

Senator **Reid**. Also what I am interested in is the status of the joint Fallon-Hawthorne venture for a Navy combat search and rescue mission training site at Hawthorne. There was money provided for this in the budget and we cannot seem to see where you have spent it or intend to spend it, and we would also like to direct your attention to that.

Admiral **Bottorff**. Yes, sir; I will.

Senator **Reid**. Thank you. Senator Grassley.

Senator **Grassley**. I have questions for the Navy and then for the Marines. You heard me ask, I think, the Army, taking into consideration the changing political events in the world, I want you to assure me that the request before us for the Navy takes into account all that is happening in the world today.

Admiral **Bottorff**. Yes, sir; I believe our request does. We scrubbed the budget this past fall. In particular, we looked at the overseas locations—as I indicated in my opening remarks we are down significantly in our overseas request. Only the most urgent operational facilities remain in the overseas account, plus some for quality of life. Specifically, the big projects are housing in Iceland and housing in Guantanamo Bay. In both cases these are important bases which we expect would be retained under any scenario we have considered.

Senator **Grassley**. Do you expect changes in the fiscal year 1991 program prior to our marking it up? In other words, would there be some amendments up here from you?

Admiral **Bottorff**. I think there may possibly be, but it is really too early to tell. We looked at the projects in a worst-case scenario, but we do not see anything that could possibly be an addendum except for a personnel support office in London. That project is no longer required since the United Kingdom is providing space for this function.

ENVIRONMENTAL PROJECTS

Senator **Grassley**. Of course, the Navy has a lot of valuable waterfront property, and you have got to be especially concerned about environmental issues facing our country, and so please tell me how environmental projects impact the Navy's military construction budget now and in the near future.

Admiral **Bottorff**. Well, I think our waterfront projects are complying with the environmental requirements. We are concerned, for instance, in San Francisco Bay and San Diego Bay both with the dredging requirements and the disposal of dredged materials, and we are working with the State and the Corps of Engineers on dredge disposal. Environmental issues are among the biggest concerns for us in our programs right now.

CHILD CARE FACILITIES

Senator **Grassley**. I would like to have some general idea of where the Navy is going with child care facilities. Do you believe that you have a more severe problem because of the high cost areas in which many of your personnel are stationed?

Admiral **Bottorff**. Yes, sir; we certainly do. The Congress did move forward some projects we had in the 1991 program for execution in fiscal year 1990. That action left us without military construction projects for child care in the fiscal year 1991 request.

We got caught by the rules in effect for the budget submission and by the enactment of the 1990 appropriation. Therefore, we were unable to get any additional projects in there. However, we are proceeding with four private venture capital projects for child care development in this coming year.

Senator **Grassley**. Tell me, in regard to the long separation of family because of your people being at sea, does this impact on child care requirements in any special way for the Navy that it does not for the other services?

Admiral **Bottorff**. Well certainly, I believe it does. That is why we have gone through a very hard scrub. You will find in the fiscal year 1992 program, despite budget pressures, quality of life—specifically, housing and child care—will get extra emphasis in our program next year.

We have emphasized family housing in the current program.

TRIDENT PROGRAM

Senator **Grassley**. The Navy's Trident program has been one of the most successful in getting congressional support both for the ships and the facilities supporting them—the program at King's Bay, GA, $66.7 million for fiscal year 1991; in addition, $56.5 million for Bangor, WA, to support the D-5 missile which will be retrofitted to the existing submarines on the west coast.

Can you tell us what remains to be done at both locations to meet the requirements for the Tridents, and if for some reason the Trident submarine shipbuilding program were stopped, would there still be a need for the remaining facilities being planned, such as the second explosives handling wharf at King's Bay and Bangor?

Admiral **Bottorff**. I believe the second handling wharf may not be required. I think it really depends on how the negotiations on the strategic missiles go. From everything I have read the Trident is going to be—is and will be—the premier strength of the triad on strategic weapons.

Where we can certainly examine that is in the requirement for a second wharf. The requirement for the second explosive handling wharf comes about by the rotation of the boats and the amount of time we have to change those missiles out.

Senator **Grassley**. Then the money for this year will be used for what? Because you were explaining you did not think you would need the second.

Admiral **Bottorff**. Well, the second one we are now projecting to put it in, I believe, is tentatively in the 1994 program.

Senator **Grassley**. The King's Bay is in this year?

Admiral **Bottorff**. Yes, sir; but the follow-on one, the one at Bangor, is the one that we have an opportunity to reevaluate.

MILITARY CONSTRUCTION AT SUBIC BAY

Senator **Grassley**. My last question to you is one that just kind of came to my mind while I was sitting here. I do not know whether you have anything in military construction for Subic Bay. If there is, and we have not reached an agreement on Subic Bay with the Philippines, why would we have things in the budget when we do not know if we are going to continue to have that base?

Admiral **Bottorff**. We do not have anything in the budget for Subic—even though there are real requirements there as I saw during a visit in January. I think it is a matter of timing.

Senator **Grassley**. All right. Your limited budget request seeks funding for two large projects at Quantico, VA. One is the Marine

Corps' research library for $14.2 million, the other one for the combat development center at $16.1 million. I would like to have you explain both of these projects and how they fit into the future of the Marines and the changing world.

General ADAMS. Yes, sir; we prefer now to refer to the Marine Corps research library as the Marine Corps research center, which better defines what the project actually is.

Since 1987, Commandant Gray has refined his thoughts in the way that he thinks marines ought to be educated and trained. To do this there has been a large enhancement of our professional military education program, making it a lifelong study of the profession of arms, and within that concept the Marine Corps university was established and became operational on August 1, 1989.

The concept of the Marine Corps university is not something new, nor does it equate to the Naval War College or the Army War College or something like that in terms of a top-level school. It will be the umbrella over all of the Marine Corps' professional military educational programs, both formal and by correspondence.

For instance, it will command—the Marine Corps Command and Staff College, the Amphibious Warfare School, the Basic School, our 4 staff NCO academies, our 17 NCO academies, and the Marine Corps Institute, which administers all of our correspondence programs worldwide.

To enhance this—right now we have a 10,000 square foot library. This does not compare at all with libraries at the Air Force Air University, or the Army Command and Staff College. We believe that the Marine Corps research center will provide the necessary library and research facilities and greatly improve the ability to collect, store, retrieve, and disseminate information related to the art of war-fighting.

It will integrate facilities that presently exist in less than desirable proportions, and it will be the hub of the university activities. It will be the central research facility for marines worldwide. It is a step up, and something that the Marine Corps should have had for some time and Commandants Barrow, Wilson, Kelly, and those in the past all thought of this, and the opportunity has come to try to bring this project to fruition.

Senator GRASSLEY. Did I interrupt you?

MARINE CORPS RESEARCH LIBRARY

General ADAMS. If you have a question on the Marine Corps research library, sir, I would be happy to take it.

Senator GRASSLEY. Yes, please. I am sorry. For the $16.1 million.

General ADAMS. The combat development center comprises three of the institutions such as the Marine Corps war fighting center and the Marine Corps intelligence center, and contributes as part of the general expansion and upgrading of our Quantico facility, as sort of the grassroots and bedrock and home of the Marine Corps schools and studies, and innovative thought processes.

This is going to provide a 95,900 square foot facility that will combine and provide a home for the war fighting center, the intelligence center, our advanced computer center, and again, replace facilities that are no longer adequate to provide what we believe and what our Commandant believes is necessary in the upgrading of Marine Corps education and thinking and innovative study of the art of war.

Senator GRASSLEY. I have two questions that I will submit to you for answers in writing.

General ADAMS. Thank you, Mr. Chairman.

Senator SASSER. Thank you very much, Senator Grassley.

HOMEPORTING INITIATIVE

Admiral, can you update us on the status of the homeporting initiative, how much has been appropriated to date, totally, in the homeporting program, and then how much has been allocated for each location?

Admiral BOTTORFF. Yes, sir; I have that.

The total for Staten Island, NY, is $189 million, of which, as of the end of January, $149 million has been obligated.

Pensacola, FL, is appropriated at $41.8 million, of which $27.5 million has been obligated.

For Mobile, AL, $34.4 million has been provided, and $25.9 million has been obligated. There is a DMFO clinic, a medical clinic at Mobile for $2.9 million, and none of that has been obligated. That is not in the Navy line.

At Pascagoula, MS, we have $45 million, of which $25.6 million has been obligated. Again, there was a medical clinic in the medical program at $2.4 million, and none of that has been obligated.

At Lake Charles, LA, $10.3 million was provided, and $5.3 million closed out the construction contract there.

Senator SASSER. $5.3 million did the job?

Admiral BOTTORFF. Lake Charles, LA, was the one that was canceled as part of the Base Realignment and Closure Act. We are relocating those ships to Ingleside, TX.

The same story at Galveston TX, $15 million was provided, and we have obligated $13.3 million there. And again, that was subject to the base closure commission's action last year.

At Ingleside, TX, we have got $90.3 million, and $60.7 million has been obligated. There is a medical clinic there for $2.3 million; none of that has been obligated yet.

At Everett, WA, $190.8 million has been provided, and we have obligated $167.7 million against that.

So the total Navy line is $616.5 million, and we have obligated against that $474.8 million. And against the DMFO requirement, the medical facility requirement, there was $7.6 million provided, and none of that has been obligated to date.

Under the family housing line for New York, there was $40.4 million provided, and we have obligated $39.8 million of that total.

A grand total of $664.6 million has been provided from fiscal year 1986 through fiscal year 1990 with $514.7 million obligated.

Senator SASSER. Admiral, the Navy has decided to mothball two of our four battleships, and Staten Island was to be the homeport of one of these battleships. Will the battleship be homeported at Staten Island now?

Admiral BOTTORFF. A decision on homeporting of the remaining battleship on the east coast has not been made yet, sir.

Senator **Sasser**. Well, if a battleship does not go to Staten Island, will something be homeported there?

Admiral **Bottorff**. Yes, sir; I believe there will be. The Navy has only announced one specific ship, an Aegis cruiser, to be assigned there at this point in time. But, we anticipate that the surface action group will go to Staten Island.

Senator **Sasser**. Well, with the large investment we made at Staten Island, I think it would be very cost inefficient if we did not homeport something there.

One of the two west coast battleships is going to be mothballed, probably the *New Jersey* from what I hear.

Admiral **Bottorff**. Yes, sir.

Senator **Sasser**. How is this going to impact on our west coast homeporting plans?

Admiral **Bottorff**. Well, I believe it could possibly impact on it. One of the things that was announced by Mr. Cheney was to examine the homeporting in the San Francisco area, and particularly the air station at Alameda. The west coast has to be treated as a whole for the homeporting.

The battleship would have, I think, a minimum impact in that we are essentially talking about one ship in that case.

Senator **Sasser**. Well, it looks to me like Everett, WA, would be a pretty good candidate here, based upon your figures. We have got $190 million appropriated for that, and $167 million, almost $168 million has been obligated. So, how complete is Everett?

Admiral **Bottorff**. Essentially, work on the pier and the dredging, which are the biggest pieces of that is about 25 percent complete. Site improvement is about 85 percent complete. And of course, we bought the land and settled with the Tulalip Indian Tribe there; that money is essentially gone. I would say probably close to $100 million of that is sunk costs at this point in time.

Senator **Sasser**. Well, will the funds to support Pearl Harbor homeporting be provided by the regular military construction account or by the base closure account?

Admiral **Bottorff**. It would be in the base closure account, sir.

ADDITIONAL COMMITTEE QUESTIONS

Senator **Sasser**. Admiral, I do not have any further questions at this time. We thank you for your appearance here this morning.

Thank you also, General Adams. I am advised by staff there will be some questions for the Navy from Senators Byrd, Grassley, and Reid for the record. So if you will respond to those promptly, we would very much appreciate it.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

Questions Submitted by Senator Harry Reid

NAVY STUDY AT NAS FALLON, NEVADA

Question. The Navy remedial investigation/feasibility study (RI/FS) to test soil and water for contamination at the Fallon NAS should be nearing completion this month. When can I expect to get a copy of this report? Has the report identified any concentrations of toxic waste that exceed EPA standards?

Answer. Under the Navy's installation restoration (IR) program, preliminary assessments have been conducted at over 200 Naval installations to determine potential contamination sites from past disposal practices. The preliminary assessment/site inspection of the Installation Restoration Program at Naval Air Station, Fallon, Nevada (NAS Fallon), identified 27 areas of potential contamination. That study was completed in April 1988 and concluded that of the 27 potential sites, 21 should be further investigated and considered for remedial action. With that information in hand, remedial investigation/feasibility study (RI/FS) work plans for all 21 sites were developed. They were completed in May 1989, and they were distributed in June to the Technical Review Committee of which the Nevada Department of Environmental Protection (NDEP) is a member. After coordination with the NDEP, it was determined that the immediate focus of the effort should be the NAS Fallon fuel farm site. Field sampling at the NAS Fallon fuel farm site was initiated in August 1989 by Martin Marietta Energy Systems, Inc. The field sampling at the fuel farm confirmed the presence of fuel (JP-5) in the ground water. Field work at the fuel farm will resume in May 1990, and field work for the other 20 sites will begin in September 1990. The scheduled completion dates for the remedial investigation field work is March 1991, and the draft RI/FS report is scheduled for completion in December 1991. There is insufficient information available to draw any conclusions about the potential presence or concentrations of toxic wastes.

FALLON, NEVADA—WELL WATER QUALITY

Question. a. Reported fuel spills at the Fallon NAS have appeared in the Nevada press. The residents of Fallon have shallow wells and are concerned with well water contamination. Please provide me with a listing of the dates, location, type of toxic liquid and quantity spilled for the past five years?

b. Has the Navy taken steps to clean up these spills?

c. What steps has the Navy taken to prevent future spills?

Answer. a. A listing of the date, location, type of toxic liquid, and quantity spilled for all known fuel spills which have occurred at Naval Air Station, Fallon, Nevada (NAS Fallon), over the past five years is attached. All of those spills have been reported. The amounts spilled, the location of the spills, and the clean up efforts are the factors which have prevented any of the listed spills from contaminating the ground water. A potential threat from fuel contamination to local ground water below the NAS Fallon fuel farm was first identified in the preparation of NAS Fallon's Installation Restoration (IR) Program's preliminary assessment/site inspection which was made available to the public in April 1988. The NAS Fallon fuel farm was constructed in 1957, and neither the source(s) nor the date(s) of that identified contamination is known. The Navy, independent of the IR Program, awarded a contract to ERM-West to conduct extensive site investigations and to accurately define the extent of the ground water contamination through scientific means including monitoring wells, soil borings, and soil gas analysis. That report was completed and made public in September 1988. ERM-West identified hydrocarbon plumes on the shallow aquifer underlying the NAS Fallon fuel farm and determined that the lateral movement of the plumes did not exceed 35 feet per year. That movement is in a southeasterly direction, which is away from the Fallon civilian population. Accordingly, ERM-West concluded that no immediate threat to human health or environment existed and that NAS Fallon's IR Program, which includes remedial actions, would adequately address the contamination. Subsequent reviews and studies of the hydrocarbon plumes by Martin Marietta Energy Systems, Inc., also made available to the public, concur with ERM-West's findings and conclusions. With regard to press reports of fuel spills, it is noted that the NAS Fallon fuel farm has been operated by civilian contract employees since November 1987. A former employee of the contractor who was operating the NAS Fallon fuel farm in February 1988 has alleged that in February 1988 a major fuel spill of 20,000 to 30,000 gallons occurred and was covered up by the Navy and the contractor. He first made that allegation in August 1988. Shortly thereafter an investigation of that allegation was commenced by the Naval Investigative Service (NIS). No evidence of a major fuel spill was found. In January of this year, the allegations of that fuel spill surfaced again, and NIS and the Nevada Department of Environmental Protection initiated an investigation into the matter. That investigation has not been completed, but no evidence of a major fuel spill has been discovered to date.

b. All of the spills on the attached list were cleaned up.

FUEL SPILL REPORT

Date	Type of fuel	Cause of spill	Location of spill	Surface type	Quantity of spill (Gallons)
December 2, 1985	JP-5	Charged line	Hangar 4	Concrete	5.0
December 3, 1985	...do	Venting	Hangar 1	...do	10.0
December 5, 1985	...do	...do	...do	...do	15.0
December 6, 1985	...do	Tank rupture	...do	...do	25.0
December 8, 1985	...do	Fuel tank	Hangar 4	...do	100.0
December 16, 1985	AVGAS	Fueling	South mat	...do	14.0
December 16, 1985	...do	Fuel truck	...do	...do	5.0
December 20, 1985	JP-5	Venting	...do	...do	2.0
January 3, 1986	Diesel	Fuel line	Bldg. 800	Asphalt	5.0
January 27, 1986	JP-5	Defueling	South mat	Concrete	40.0
February 17, 1986	AVGAS	Venting	...do	...do	5.0
February 23, 1986	JP-5	...do	North mat	...do	9.0
February 23, 1986	...do	...do	...do	...do	5.0
February 25, 1986	...do	Fuel truck	Hangar 300	...do	6.0
February 25, 1986	...do	Venting	North mat	...do	5.0
March 3, 1986	...do	...do	Hangar 300	...do	55.0
March 4, 1986	...do	...do	South mat	...do	4.0
March 5, 1986	...do	...do	...do	...do	10.0
March 5, 1986	...do	...do	North mat	...do	3.0
March 5, 1986	...do	...do	South mat	...do	3.0
March 13, 1986	Gasoline	Tank	Strike	Asphalt	1.0
March 22, 1986	JP-5	Faulty valve	Hangar 1	Concrete	25.0
March 22, 1986	...do	...do	Hangar 4	...do	6.0
March 22, 1986	...do	Venting	...do	...do	1.0
March 27, 1986	...do	...do	Hangar 1	...do	5.0
April 10, 1986	...do	Fuel line	Runway	...do	10.0
April 24, 1986	Gasoline	Overflow	Transportation	Asphalt	10.0
May 3, 1986	JP-5	Venting	South mat	Concrete	3.0
May 13, 1986	...do	Valve break	North mat	...do	100.0
May 15, 1986	...do	Venting	...do	...do	1.0
May 16, 1986	...do	...do	...do	...do	1.0
May 16, 1986	...do	...do	Hangar 300	...do	10.0
May 22, 1986	...do	...do	Hangar 2	...do	1.0
May 23, 1986	...do	Tank leak	Hangar 1	...do	10.0
June 2, 1986	...do	Venting	North mat	...do	2.0
June 2, 1986	...do	...do	...do	...do	1.0
June 3, 1986	...do	...do	Hangar 1	...do	5.0
June 5, 1986	...do	Tank leak	...do	...do	20.0
June 6, 1986	...do	Fuel leak	Runway	...do	3.0
June 12, 1986	...do	Tank leak	Roads	Asphalt	5.0
June 13, 1986	...do	...do	Hangar 1	Concrete	35.0
June 17, 1986	...do	Venting	North mat	...do	5.0
June 18, 1986	...do	...do	Hangar 1	...do	3.0
June 25, 1986	...do	...do	South mat	...do	3.0
June 25, 1986	...do	...do	Hangar 300	...do	3.0
July 7, 1986	...do	Valve	Access road	Asphalt	5.0
July 19, 1986	...do	Venting	North mat	Concrete	9.0
July 26, 1986	...do	...do	Hangar 1	...do	3.0
July 29, 1986	...do	...do	North mat	...do	10.0
August 1, 1986	...do	...do	Hangar 1	...do	5.0
August 3, 1986	...do	...do	...do	...do	3.0
August 26, 1986	...do	...do	Hangar 2	...do	15.0
August 29, 1986	...do	Transfer line broke	...do	...do	250.0
August 31, 1986	Gasoline	Fuel tank	Navy exchange	Asphalt	1.0
September 4, 1986	JP-5	Venting	Hangar 4	Concrete	3.0
September 12, 1986	...do	...do	Hangar 1	...do	5.0
September 16, 1986	...do	Fueling	Hot pits	...do	10.0
September 23, 1986	...do	...do	Hangar 1	...do	30.0
September 24, 1986	...do	Venting	...do	...do	1.0
September 29, 1986	...do	Defueling	South mat	...do	5.0
October 7, 1986	...do	Venting	Hangar 1	...do	2.0

FUEL SPILL REPORT—Continued

Date	Type of fuel	Cause of spill	Location of spill	Surface type	Quantity of spill (Gallons)
October 9, 1986	Gasoline	Overflow	Nex gas station	...do	5.0
October 14, 1986	JP-5	Venting	North mat	...do	2.0
October 16, 1986	...do	Faulty valve	...do	...do	5.0
November 7, 1986	...do	Venting	Hangar 2	...do	3.0
November 7, 1986	...do	...do	...do	...do	5.0
November 7, 1986	...do	...do	Hangar 1	...do	5.0
November 9, 1986	...do	...do	Hangar 2	...do	5.0
November 14, 1986	...do	...do	South mat	...do	1.0
November 21, 1986	...do	Fuel line	Runway	...do	20.0
December 3, 1986	...do	Venting	Hangar 300	...do	2.0
December 7, 1986	...do	...do	...do	...do	2.0
December 7, 1986	...do	...do	...do	...do	3.0
December 11, 1986	Hydfluid	Arresting gear	Runway	...do	1.0
January 5, 1987	JP-5	Fuel leak	...do	...do	4.0
January 16, 1987	...do	Overflow	Hangar 2	...do	6.0
January 18, 1987	...do	...do	...do	...do	8.0
January 20, 1987	...do	...do	North mat	...do	5.0
January 22, 1987	AVGAS	...do	South mat	...do	3.0
January 24, 1987	JP-5	Overfill	Hangar 300	...do	2.0
January 24, 1987	Hydfluid	Brake failure	Runway	...do	1.0
January 26, 1987	...do	...do	...do	...do	1.0
January 26, 1987	JP-5	Overfill	Hangar 300	...do	4.0
January 28, 1987	...do	Fuel line	Runway	...do	3.0
January 28, 1987	...do	...do	...do	...do	2.0
January 28, 1987	...do	Overflow	Hangar 2	...do	3.0
January 28, 1987	...do	...do	...do	...do	1.0
January 30, 1987	...do	Overfill	Hangar 1	...do	1.0
February 4, 1987	...do	Overflow	Hangar 2	...do	3.0
February 19, 1987	...do	...do	North mat	...do	3.0
February 20, 1987	...do	...do	Hangar 300	...do	5.0
February 21, 1987	...do	...do	Hangar 2	...do	4.0
February 28, 1987	...do	...do	...do	...do	4.0
February 28, 1987	...do	...do	...do	...do	4.0
March 1, 1987	...do	...do	...do	...do	2.0
March 20, 1987	...do	...do	...do	...do	2.0
March 25, 1987	...do	Fuel line	Hangar 300	...do	30.0
March 29, 1987	...do	Venting	Hangar 1	...do	4.0
May 2, 1987	AVGAS	Overfill	South mat	...do	2.0
May 4, 1987	JP-5	Tank failure	Hangar 4	...do	5.0
May 4, 1987	...do	Overflow	Hangar 300	...do	5.0
May 7, 1987	Diesel	Tank leak	Fire house	...do	1.0
May 8, 1987	Gasoline	Overfill	Nex gas station	...do	2.0
May 12, 1987	JP-5	Overflow	North mat	...do	4.0
May 21, 1987	Gasoline	Tank	Security	Asphalt	0.5
May 22, 1987	JP-5	Overflow	North mat	Concrete	1.0
May 28, 1987	Hydfluid	System leak	Runway	...do	1.0
May 28, 1987	JP-5	Wing tank	...do	...do	1.0
June 1, 1987	...do	Venting	North mat	...do	1.0
June 2, 1987	JP-5 and HF	...do	South mat	...do	2.0
June 5, 1987	JP-5	...do	North mat	...do	3.0
June 12, 1987	...do	...do	...do	...do	3.0
June 19, 1987	Hydfluid	Hydraulic failure	Runway 25	...do	1.0
June 25, 1987	JP-5	Fuel hose	Hangar 4	...do	8.0
June 26, 1987	Hydfluid	Aircraft wheel	Runway	...do	1.0
July 2, 1987	Gasoline	Overfill	4 Corners	Asphalt	1.0
July 10, 1987	JP-5	Fuel leak	Runway	Concrete	5.0
July 15, 1987	...do	Venting	Hangar 1	...do	3.0
July 16, 1987	Hydfluid	Leak	Runway	...do	1.0
July 19, 1987	JP-5	...do	...do	...do	3.0
July 25, 1987	...do	Overflow	Hangar 2	...do	4.0
July 29, 1987	...do	...do	North mat	...do	10.0

FUEL SPILL REPORT—Continued

Date	Type of fuel	Cause of spill	Location of spill	Surface type	Quantity of spill (Gallons)
August 13, 1987	Gasoline	...do	Hangar 4	...do	2.0
August 20, 1987	JP-5	Wing tank	Runway	...do	1.0
August 24, 1987	...do	Overflow	North mat	...do	2.0
August 25, 1987	...do	...do	Hangar 3	...do	10.0
August 31, 1987	...do	...do	...do	...do	3.0
September 7, 1987	Hydfluid	Warm brakes	South mat	...do	1.0
September 18, 1987	JP-5	Overfill	Hangar 1	...do	5.0
October 2, 1987	Diesel	System line	Bldg. 800	...do	2.0
October 5, 1987	JP-5	Fuel line	South mat	...do	2.0
October 6, 1987	...do	Overflow	North mat	...do	7.0
October 16, 1987	Napalm	Cracked canister	Hel pad	...do	2.0
October 21, 1987	Hydfluid	Arresting gear	Runway	...do	1.0
October 21, 1987	JP-5	Fuel line	...do	...do	1.0
October 26, 1987	...do	Overflow	Hangar 3	...do	3.0
October 27, 1987	...do	Fuel line	Runway	...do	11.0
November 3, 1987	...do	...do	North mat	...do	5.0
November 3, 1987	...do	Collision	Hot pits	Concrete/soil	1,200.0
November 10, 1987	...do	Fuel line	South mat	Concrete	2.0
November 10, 1987	...do	Overflow	Hangar 3	...do	3.0
December 3, 1987	...do	Venting	Runway	...do	20.0
December 10, 1987	...do	Fuel leak	Hangar 300	...do	30.0
December 14, 1987	...do	Fuel truck	Fuel farm	...do	3.0
December 15, 1987	...do	...do	Hangar 1	...do	5.0
December 15, 1987	...do	...do	...do	...do	5.0
January 21, 1988	Hydfluid	Brakes	Runway	...do	1.0
January 29, 1988	Diesel	Ruptured fuel tank	Hangar 300	...do	2.0
January 30, 1988	JP-5	Venting	...do	...do	1.0
January 31, 1988	...do	...do	South mat	...do	1.0
February 8, 1988	...do	Fuel transfer	...do	...do	2.0
February 10, 1988	...do	Drop tank	Hangar 1	...do	6.0
February 18, 1988	Hydfluid	Brake	Runway	...do	1.0
February 22, 1988	JP-5	Excess pressure	Hangar 2	...do	7.0
February 23, 1988	Hydfluid	Hydraulic failure	Runway	...do	1.0
February 23, 1988	...do	Brake	...do	...do	1.0
February 24, 1988	...do	Hydraulic failure	...do	...do	1.0
March 1, 1988	JP-5	Dump value	Hangar 300	...do	30.0
March 3, 1988	Hydfluid	Hydraulic failure	Runway	...do	1.0
March 12, 1988	Gasoline	Vehicle tank leaking	Security	Asphalt	20.0
March 19, 1988	JP-5	Refueler truck	North mat	Concrete	40.0
March 20, 1988	...do	Fuel fitting	Hot pits	...do	20.0
March 22, 1988	Hydfluid	Wheel gear	Runway	...do	1.0
April 5, 1988	Diesel	Fuel line	Bldg. 375	Soil	5.0
April 11, 1988	JP-5	Refueler	Hangar 4	Concrete	30.0
April 17, 1988	...do	Overfill	Hangar 2	...do	40.0
April 19, 1988	...do	Fuel line	Hangar 300	...do	5.0
April 25, 1988	...do	...do	...do	...do	5.0
April 25, 1988	...do	...do	Hel pad	...do	5.0
April 27, 1988	...do	Fuel overflow	Hangar 2	...do	5.0
April 28, 1988	...do	Heat expansion	North pad	...do	2.0
April 29, 1988	...do	Ruptured wing tank	Runway	...do	40.0
May 6, 1988	...do	Overflow	South mat	...do	3.0
May 10, 1988	...do	...do	Hangar 2	...do	3.0
May 11, 1988	...do	Leak from line	Sppl	Soil	20.0
May 17, 1988	...do	Venting fuel	Runway 31L	Concrete	3.0
May 27, 1988	KMnO	Spill	Bldg. 800	Asphalt	30.0
May 31, 1988	JP-5	Refueler	Hangar 300	Concrete	20.0
May 31, 1988	...do	Venting	Hel pad	...do	50.0
June 4, 1988	...do	...do	Hangar 4	...do	22.0
June 10, 1988	...do	Overfill	Hot pits	...do	200.0
June 11, 1988	Hydfluid	Wheel leaking	Runway	...do	3.0
June 14, 1988	JP-5	Fuel leak	...do	...do	3.0

FUEL SPILL REPORT—Continued

Date	Type of fuel	Cause of spill	Location of spill	Surface type	Quantity of spill (Gallons)
June 16, 1988	...do	Overfill	Hel pad	...do	3.0
June 27, 1988	...do	Overflow	Hot pits	...do	0.0
June 30, 1988	...do	...do	Hel pad	...do	45.0
July 5, 1988	...do	...do	Hangar 4	...do	5.0
July 12, 1988	...do	...do	Hangar 1	...do	30.0
July 16, 1988	...do	Fueling	Hot pits	...do	45.0
July 17, 1988	...do	Heat expansion	Hangar 2	...do	5.0
July 21, 1988	...do	Fueling	Hot pits	...do	20.0
July 24, 1988	...do	...do	Hangar 2	...do	30.0
July 27, 1988	...do	Defueling	Hangar 1	...do	30.0
August 8, 1988	...do	Fuel leak	Hel pad	...do	15.0
August 10, 1988	...do	Fueling	Hangar 1	...do	40.0
August 11, 1988	...do	Overfill	Hel pad	...do	10.0
August 16, 1988	Hydfluid	Belly tank	Runway	...do	1.0
August 24, 1988	JP–5	Truck overflow	Hangar 4	...do	10.0
August 25, 1988	...do	Overflow	...do	...do	10.0
September 2, 1988	...do	...do	Hangar 2	...do	1.0
September 11, 1988	...do	Venting fuel	Hel pad	...do	3.0
September 18, 1988	...do	Overflow	Hangar 300	...do	5.0
September 19, 1988	Hydfluid	Wheel	North mat	...do	1.0
September 19, 1988	JP–5	Leaking fuel line	Hel pad	...do	10.0
September 21, 1988	...do	Venting fuel	Hot pit	...do	5.0
September 23, 1988	...do	...do	Hangar 1	...do	5.0
September 29, 1988	...do	...do	North ramp	...do	3.0
October 13, 1988	...do	Maintenance	Bldg. 408	...do	3.0
October 21, 1988	...do	System leak	South ramp	...do	5.0
October 27, 1988	Diesel	Fuel line	Bldg. 800	Asphalt	1.0
October 29, 1988	JP–5	Venting	Hot pits	Concrete	1.5
November 30, 1988	...do	...do	Hangar 300	...do	5.0
December 11, 1988	...do	Leaking	North ramp	...do	21.0
December 13, 1988	...do	Right wing	Hangar 300	...do	25.0
February 13, 1989	JP–5 and HF	Fueling	H/W 22	...do	20.0
March 22, 1989	PCB	...do	Bldg. 375 area	...do	30.0
April 26, 1989	Fuel #6	Tanker truck	Bldg. 314	Soil	35.0
May 23, 1989	Diesel	Tanker spill	Pic site 10	...do	450.0
July 14, 1989	JP–5	Fuel cell	Runway 25	Concrete	40.0
August 8, 1989	...do	Heat expansion	Hangar 300	...do	40.0
August 10, 1989	...do	Overflow	...do	...do	8.0
August 10, 1989	...do	Wing leak	Runway 31R	...do	1.0
August 16, 1989	...do	Heat expansion	Hangar 4	...do	4.0
August 20, 1989	Hydfluid	Hydraulic failure	Runway 31R	...do	1.0
August 23, 1989	...do	...do	...do	...do	5.0
September 5, 1989	JP–5	Engine blowdown	Hangar 1	...do	10.0
September 7, 1989	...do	Excess pressure	Hel pad	...do	20.0
September 8, 1989	...do	Overflow	Hangar 1	...do	60.0
October 4, 1989	...do	Loose fuel line	Hot pits	...do	3.0
October 6, 1989	...do	Broken fuel line	Hangar 1	...do	10.0
October 18, 1989	AVGAS	Heat expansion	Flying club	...do	5.0
October 18, 1989	JP–5	Overflow	H-Power turnup	...do	15.0
October 30, 1989	...do	...do	Hangar 1	...do	25.0
November 2, 1989	...do	...do	Hangar 300	...do	20.0
November 8, 1989	...do	...do	Hangar 2	...do	12.0
November 13, 1989	...do	...do	Hangar 1	...do	12.0
November 20, 1989	...do	...do	...do	...do	15.0
November 21, 1989	...do	Broken fuel line	Hangar 300	...do	11.0
November 22, 1989	...do	Leaking drop tank	Hangar 4	...do	10.0
November 28, 1989	Diesel 2	Faulty valve	Bravo–17	Soil	170.0
November 28, 1989	PCB susp	Tk knocked down power line.	Turnkey	...do	8.0
November 28, 1989	JP–5	Leak	Hot pits	Concrete	40.0
December 1, 1989	...do	Overflow	Hel pad	...do	12.0

FUEL SPILL REPORT—Continued

Date	Type of fuel	Cause of spill	Location of spill	Surface type	Quantity of spill (Gallons)
December 4, 1989	do	Open valve	Hangar 2	do	10.0
December 8, 1989	do	Valve not closed	Fuel farm	do	420.0
December 8, 1989	Lube oil	Blown oil fitting	Runway 07	do	0.5
December 13, 1989	JP-5	Leaking tank	Hangar 300	do	0.5
December 28, 1989	do	Overflow	South mat	do	5.0
December 29, 1989	Hydfluid	Hydraulic failure	Runway 13R	do	2.5
January 9, 1990	JP-5	Overflow	Hangar 100	do	35.0
January 9, 1990	do	do	Hangar 300	do	5.0
January 9, 1990	do	Drop tank leak	do	do	5.0
January 10, 1990	do	Hydraulic failure	Bravo area	do	10.0
January 10, 1990	do	Overflow	Hangar 1	do	2.0
January 11, 1990	do	do	Hangar 300	do	80.0
January 11, 1990	do	Drop tank	Hot pits	do	5.0
January 12, 1990	do	Overflow	do	do	5.0
January 19, 1990	Hydfluid	Pop-off failure	Runway 31	do	2.0
January 19, 1990	do	Belly tank leak	Hangar 3	do	15.0
January 22, 1990	do	Brake line failure	Runway 31L	do	5.0
February 2, 1990	do	In flt hdraulic failure	do	do	0.9
February 6, 1990	JP-5	Maintenance procedure.	Hangar 300	do	11.0
February 6, 1990	do	Gyro failure	Runway 31R	do	1.5
February 14, 1990	do	Wet start	Hangar 300	do	8.0
February 21, 1990	do	Overfill during fueling	South mat	do	15.0
February 22, 1990	do	Overflow	Hangar 1	do	5.0
February 27, 1990	do	Valve failure	Fuel farm	Soil	20.0
February 28, 1990	do	Overflow	South mat	Concrete	5.0
Total					5,299.9

c. There is no way to assure with certainty that there will be no future fuel spills at NAS Fallon. The Navy has, however, taken extensive precautions to minimize fuel spills and to ensure proper and prompt clean up when they occur. Prior to awarding the base operating services contract for NAS Fallon, the Navy Technical Evaluation Board reviews the contractor and subcontractor's qualifications to perform such an operation to ensure that they are qualified in all respects. With regard to the NAS Fallon fuel farm, specific areas reviewed include the contractor's previous fuels experience, the contractor's previous Government contract performance, the qualifications of and the number of the contractor's staff personnel, the contractor's responsiveness, and the contractor's key manager's qualifications. Additionally, NAS Fallon issued in March 1989 a three volume, 600-page, comprehensive instruction on hazardous waste management, spill prevention, control, and countermeasures, and spill contingency plans. The Nevada Department of Environmental Protection has reviewed that instruction and has praised NAS Fallon for the instruction's thoroughness. Moreover, NAS Fallon provides in-depth training to Navy and contractor personnel regarding the procedures established in the instruction and ensures that the instruction is strictly followed.

NAVAL AIR STATION, FALLON, NEVADA

Question. Some of the Navy's housing requirements for fiscal years 1990–95 involve overseas locations. If there is a drawdown at some of the Navy's overseas locations planned for housing, could some of these housing funds be used at the Fallon NAS.

Answer. In fiscal year 1990, Congress authorized and funded two family housing projects for two isolated locations overseas. One project is for 112 units at the Naval Air Station, Keflavik, Iceland. The other project is for 120 units at Guantanamo Bay, Cuba. These are vitally needed projects since there is no community at Guantanamo Bay and military members stationed at Keflavik are required to live on base. The Department of the Navy's fiscal year 1991 request includes a 112-unit project for Keflavik and a 134-unit project for Guantanamo Bay. The Navy does not anticipate the need for housing at these two locations to be impacted by the drawdown of forces from other overseas locations. The Navy's total housing requirements for the out-years, including those at overseas locations, are currently under review as part of POM 1992-97.

NAS FALLON, NEVADA—BOMBING RANGE

Question. Could the Navy provide us the status of Operation Ugly Baby. Were all the bombs outside the Fallon bombing range removed? Does the Navy plan any follow-on bomb removal actions? If follow-on actions are required, what would be the estimated cost to complete the bomb removal operation?

Answer. The Navy's retrieval of ordnance which fell off range on lands adjacent to the Bravo 16, Bravo 17, and Bravo 19 bombing ranges near Naval Air Station, Fallon, Nevada, was completed December 15, 1989. Our explosive ordnance disposal personnel have assessed the search effectiveness probability of the ground swept areas adjacent to the Bravo 16, Bravo 17, and Bravo 19 bombing ranges at approximately 92 percent. This means that at the time of the sweep there was approximately a 92 percent probability that the area was free of surface ordnance and ordnance debris. All ordnance and ordnance debris that was identified during the surface sweep was rendered safe and removed. No subsurface sweep was conducted. At present, effective sweep technology does not exist. A survey of the Bureau of Land Management (BLM) lands adjacent to the Bravo 16, Bravo 17, and Bravo 19 bombing ranges and the Bureau of Indian Affairs lands adjacent to the Bravo 19 bombing ranges is scheduled for this spring. The areas covered will include those in which ordnance was found off range during the ordnance retrieval conducted in November and December 1989. If the survey establishes the necessity for further off-range ordnance retrieval efforts, a retrieval plan will be implemented pursuant to the memorandum of agreement (MOA) between the State of Nevada, BLM, and the Navy which became effective December 22, 1989. It is impossible to estimate the cost of any such ordnance retrieval effort without having definitive information with regard to the extent of the effort required. Pursuant to the MOA similar surveys will be conducted on a yearly basis.

COMBAT SEARCH AND RESCUE MISSION TRAINING

Question. What is the status of the joint Fallon-Hawthorne venture for a Navy Combat Search and Rescue Mission training site at Hawthorne? What happened to the construction funds for this project that were to appear in the fiscal year 1991 budget request?

Answer. The Navy is currently evaluating operational requirements in the Fallon/Hawthorne Nevada area. Upon completion of the evaluation, the results and relevant future Navy plans will be forwarded to the Committee. At this time, there is no project under development for a Combat Search and Rescue Facility to be located at Hawthorne Army Ammunition Plant because there is no documented operational requirement. Preliminary evaluation of this proposal has indicated that it is not affordable and not required at Hawthorne. It has not been pursued. The Air Wing training staged from NAS Fallon only uses Hawthorne airport as a visual navigational aid or as an emergency divert field. This low usage does not justify infrastructure development. A Military Construction project to provide facilities for the Combat Search and Rescue Facility was not included in the fiscal year 1991 budget request because no documented requirement exists.

NAVAL AIR STATION, FALLON, NEVADA

Question. Housing still remains a problem in the Fallon area. Is the P-286 project for the Fallon NAS to provide 80 units still scheduled for fiscal year 1994?

Answer. Naval Air Station, Fallon, Nevada, has a projected shortage of 111 housing units. A project for 80 units is currently being analyzed and competing with all Department of the Navy future housing needs as part of POM 1992-97 review. Locations with the most critical housing needs will be given first priority.

QUESTIONS SUBMITTED BY SENATOR CHARLES E. GRASSLEY

MCSA KANSAS CITY, MISSOURI

Question. Last year, the Congress provided $10 million for phase I of the Marine Corps support activity at Kansas City, Missouri. This project, as I understand it, consists of several phases which total about $40 million. When can we expect the remaining phases of this facility be requested?

Answer. The three remaining phases of construction are programmed as follows: Fiscal year 1992, increment II, P–002, $17 million; fiscal year 1993, increment III, P–003, $14 million; and fiscal year 1994, increment IV, P–004, $9 million.

FAMILY HOUSING

Question. In the fiscal year 1990 appropriation bill, Congress provided substantial increases for Marine Corps family housing at El Toro and Camp Pendleton in California. What is the current situation with regard to family housing at those locations, as well as Marine Corps installations throughout the world?

Answer. The Marine Corps housing deficit is concentrated in southern California due to the high cost of living, inflation and real estate values. El Toro's current deficit is 1,420 units, Twenty-nine Palms has a deficit of 700 units, and Camp Pendleton has a deficit of 2,983 units, for a total of 5,103 units. Outside the southern California area, affordable housing is generally available in the local community, and the acquisition of new homes has not been pursued.

QUESTIONS SUBMITTED BY SENATOR ROBERT C. BYRD

NAVY RADIO TELESCOPE AT GREEN BANK, WEST VIRGINIA

Question. The National Radio Astronomy Observatory (NRAO) in Green Bank, West Virginia, operates a very long baseline interferometry (VLBI) station, as part of the Navy VLBI network. This VLBI station is one of four large radio telescopes (located in other parts of the country) used to monitor fluctuations in the rotation of the Earth. These data are provided to Department of Defense systems by the U.S. Naval Observatory (USNO) as part of its mission as the Department of Defense provider of precise time (PTTI).

I am advised that the 85-foot Navy telescope at Green Bank currently used for this purpose is the slowest and oldest in the network and needs to be replaced by a modern state-of-the-art telescope. The Green Bank site is ideally suited for this work as it combines a highly qualified staff with its location in the national radio quiet zone. Moreover, I am told, the co-location of a modern VLBI station with present and future observing equipment in Green Bank will provide major assistance to the scientific programs to be executed with that equipment.

What is the latest cost estimate for construction of a new 85-foot telescope? Please provide for the record the number of employees and the annual economic impact of the Navy's facility at Green Bank. What would be the impact on personnel, payrolls, and total local economy of construction for a new replacement telescope at Green Bank? During which fiscal year is this project currently planned? What can be done to accelerate it into fiscal year 1991?

Answer. The NRAO in Green Bank, West Virginia, operates as stated as part of the U.S. Naval Observatory's Navy VLBI network (NAVNET). NAVNET is used to provide Earth rotation and orientation parameters necessary for fundamental geodesy and civil space applications as well as precise time and time interval (PTTI) data for Department of Defense systems.

Latest cost estimate for the construction of a new 85-foot radio telescope facility: $4,400,000. Number of employees currently at Green Bank: Eight. Annual funds provided NRAO for operations at Green Bank (Annual Economic Impact—1990 dollars) is $810,000.

Construction would occur over two years, during which the labor cost associated with the project, about $2 million, would largely be paid to local workers and some transients in special skill trades. Three telescope people would be on site during construction. Currently planned for construction in fiscal year 1998.

In accordance with Congress' direction, progress up to 35 percent complete on design (plans and specifications), and an engineering cost estimate must usually precede any program request for military construction (Milcon) appropriations. Since the project is not in a near-term Milcon program, no design has been started to date on a radio telescope facility. The project is not included in the President's fiscal year 1991 request and acceleration is not being considered.

ALTERNATE MASTER CLOCK SYSTEM AT GREEN BANK, WEST VIRGINIA

Question. The Department of Defense master clock at the U.S. Naval Observatory (USNO) in Washington, D.C. is the time standard to which all timed systems are synchronized. The master clock acts as the Nation's clock, inasmuch as timed systems include civilian as well as military secure communications, navigation systems, and public utilities, such as television stations and power companies. For this reason, this clock cannot ever fail and must have multiple backups. Green Bank is in a remote area, protected by mountains, yet well within reach of Washington. Moreover, I am advised that the National Radio Astronomy Observatory (NRAO) maintains a highly qualified electronics, engineering, and instrument shop staff, as well as a considerable maintenance contingent. These are continuously engaged in the development of forefront equipment. It is, therefore, I believe, an ideal location for an alternate master clock. I am told that the presence of a powerful master clock such as this in Green Bank would also be a tremendous asset to the radio astronomical operations there, both now and future.

What is the latest cost estimate for construction of an alternate master clock? Please provide for the record the number of employees and the annual economic impact of the Navy's facility at Green Bank and how those numbers would be increased if an alternate master clock were to be sited at Green Bank. During which fiscal year is this project planned? What can be done to accelerate it into fiscal year 1991?

Answer. Green Bank, West Virginia, is an ideal site for an alternate clock to ensure the continuity of the Nation's master clock in the event of a catastrophe at the U.S. Naval Observatory.

Latest cost estimate for construction of an alternate master clock at Green Bank: $6 million. Current number of employees funded by Navy at Green Bank: Eight. Current annual funds provided by Navy to Green Bank: $810,000. Additional employees required for clock operations: Seven. Additional annual salaries and related costs to operate the alternate master clock: $600,000. Fiscal year in which project is planned: Not affordable within current programs.

In accordance with Congress' direction, progress up to 35 percent complete on design (plans and specifications), and an engineering cost estimate must usually precede any program request for military construction (Milcon) appropriations. Since the project is not in a near-term Milcon program, no design has been started on an alternate master clock facility. The project is not included in the President's fiscal year 1991 request and acceleration is not being considered.

COMMUNITY CENTER AT NAVAL RADIO STATION SUGAR GROVE, WEST VIRGINIA

Question. As you may recall, an amendment was included in the fiscal year 1989 dire emergency supplemental appropriation bill which earmarked $1 million in previously appropriated funds to construct a new community center at Sugar Grove to replace the existing facility, an 85-year old farmhouse. The community center is to be a one-story, 4,484 square foot building including a kitchen, dining facility, lounge, and general area. It will provide family dining, entertainment, and a place for social events. The base is located in a remote farming community; the nearest civilian dining and entertainment facilities are over forty miles away. I am advised that Sugar Grove employs about 158 military and 62 civilian personnel.

What is the status of this project, including significant milestone events, leading to its completion?

Answer. The construction of the Community Center at the Naval Radio Station Sugar Grove will proceed as an unspecified minor construction project. Funded at an estimated cost of $990,000, the project is currently under design with the 100 percent design review expected to be completed in March 1990. Construction award will be in mid-June 1990, with 18 months required for completion.

SUBCOMMITTEE RECESS

Senator SASSER. Gentlemen, thank you for your appearance here today. This subcommittee is recessed.

[Whereupon, at 12:15 p.m., Monday, March 5, the subcommittee was recessed, to reconvene subject to the call of the Chair.]

MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1991

MONDAY, MARCH 26, 1990

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:34 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Jim Sasser (chairman) presiding.

Present: Senators Sasser, Reid, and Grassley.

DEPARTMENT OF DEFENSE

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

PRODUCTION AND LOGISTICS

STATEMENT OF DAVID J. BERTEAU, PRINCIPAL DEPUTY ASSISTANT SECRETARY OF DEFENSE (PRODUCTION AND LOGISTICS)

ACCOMPANIED BY:

- **BRIG. GEN. WILLIAM A. STOFFT, U.S. ARMY, DIRECTOR OF MANAGEMENT DIRECTORATE**
- **REAR ADM. JACK BUFFINGTON, U.S. NAVY, DIRECTOR, SHORE FACILITIES DIVISION**
- **JAMES F. BOATRIGHT, DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE (INSTALLATIONS)**
- **GORDON DOWERY, DIRECTOR, DEFENSE MEDICAL FACILITIES OFFICE**
- **GERRY SHIPPLIT, WASHINGTON HEADQUARTERS SERVICE**

OPENING REMARKS

Senator SASSER. The subcommittee will come to order.

Our ranking member, Senator Grassley, is, I understand, on the way. We have been advised by minority staff to move ahead with the hearing and he will be here in due course.

Today we are going to hear witnesses on the request for appropriations supporting the defense agencies and base closure accounts.

The request seeks an increase of 53 percent in the defense agencies account and an increase of 83 percent for base closures.

Clearly, increases of this magnitude must be fully justified.

We are pleased to have with us this morning the Deputy Assistant Secretary of Defense for Production and Logistics, the Honorable David Berteau.

Secretary Berteau, as I understand it, you will be submitting testimony on behalf of the defense agencies and also testifying on behalf of base closures.

INTRODUCTION OF ASSOCIATES

I want to welcome you and advise that you may proceed as you wish. I would ask you to introduce for the record here this morning your distinguished colleagues.

Mr. **Berteau**. Thank you, sir.

It is a pleasure to be here today.

I have with me, representing the Army, Brigadier General Stofft; representing the Navy, Rear Admiral Buffington; and representing the Air Force, Deputy Assistant Secretary Boatright.

We each have rather substantial statements, which I would like to submit for the record on the base closure issues. In addition, each of the defense agencies has a lengthy statement in defense of their military construction budget proposals, which I would also like to submit for the record. If I might, I will just briefly summarize in a couple of paragraphs, and then we will proceed with your questions.

Senator **Sasser**. They will be included in the record as if read.

Mr. **Berteau**. Thank you, sir.

SUMMARY STATEMENT

It is clear we need to begin significantly reducing the size of our forces and, therefore, we must also reduce the number of the bases that support those forces.

The Department of Defense has been committed to balancing our base structure with our force structure in order to responsibly reduce our overall defense budget. In this context, we not only have the 86 base closures from the Base Closure Commission of 2 years ago, but Secretary Cheney recently announced proposals to study additional bases for closure or realignment. Thirty-five of those are in the United States; 12 of those are overseas.

While the overseas bases can be closed as soon as practical, the domestic installations and activities are all currently undergoing the evaluations required by title 10 and by the National Environmental Policy Act.

The candidates for that list of 35 domestic and 12 overseas bases were based both directly on potential force structure reductions and on management efficiencies, such as those in the Defense Management Report.

The strategic and budgetary situation is continuing to evolve. This evolution may bring about further recommendations for closures and realignments.

We have to keep a strong forward deployed military presence overseas, but the global trends make it possible for us in consultation with our allies to begin to adjust the number of our overseas facilities as well.

Clearly, we are going to have additional overseas closures beyond the 12 that were proposed by the Secretary last January as we conclude the negotiations for the Conventional Forces in Europe reductions. The specific number of those has not yet been set. But, in closed testimony, General Galvin has gone into some of that and I would be happy to provide those for you elsewhere if you would prefer.

But because less than 30 percent of our entire base structure is overseas, closing overseas bases alone is not enough. We anticipate probably some additional domestic closure proposals as we continue to strive to reduce the defense budget responsibly.

In that context, we submitted legislation which would streamline the base closure process, and my statement goes into the ways in which we could do that. I would be happy to cover that further.

We also have, of course, as you noted in your opening comment, the base closure account set up under the law. This was funded at $500 million in fiscal year 1990. We are now submitting the budget for fiscal year 1991, with a request at $917 million. Those are the first necessary steps toward implementing the program that eventually will save us somewhere over $700 million net savings a year.

The way it will get us there—and I go into a lot of detail there in my written statement as well—basically is this. We will spend about $3.4 billion in base closure expenditures, beginning in fiscal year 1989, which is where we had the first dollar spent, through fiscal year 1995. We will realize savings in that same timeframe of about $2.6 billion, primarily from reduced O&M expenditures and military personnel expenditures from the reductions associated with that.

In addition, we expect to get land sale proceeds of about $2.3 billion between now and fiscal year 1995.

Senator SASSER. This is over what period of time, Mr. Secretary?

Mr. BERTEAU. This is from now through fiscal year 1995. So, over that whole period, you have a net savings of about $1.5 billion. But the savings don't begin to outweigh the costs until fiscal year 1993.

So, for 1991 and 1992, as well as for 1990, which we are executing now, the costs actually outweigh the savings. In large part, this is because the Base Closure Commission's bases were assuming a stable force structure. Anything that was reduced somewhere really moved somewhere else, and the Commission's recommendations took advantage of efficiencies, consolidations, areas where we had excess capacity, and bases where if we pushed two things together for a lower overhead we could continue the same function.

So you have a lot more upfront costs in that kind of situation which the Base Closure Commission put us in than you do for the future, where now we're actually looking at eliminating force structure. When you eliminate force structure, then you're not moving it somewhere else, and your upfront implementation costs are likely to be substantially lower for base closures, such as the ones the Secretary currently has us studying today.

The rest of my statement goes into more detail on environmental cleanup and where we stand there. We currently are projecting about $500 million through 1995 that will need to be spent for cleaning up the bases that are closing from the Base Closure Commission's account. There will probably be some additional dollars required. We still have studies underway to determine the extent of the cleanup required there.

We expect to fund that primarily either out of the defense environmental restoration account, which was set up expressly for the purposes of cleanup, similar to what you have with the Superfund, or from the service O&M accounts for those kinds of cleanups which do not qualify for the environmental restoration account funding.

GAO, as you know, has looked at us extensively here, both overall and with respect to a number of specific bases. Their report in November 1989 basically reaffirmed the soundness of the overall methodology used by the Commission, both in terms of identifying candidate bases and in terms of estimating costs and savings.

While GAO had some specific concerns over specific pieces, these tended to be minor in our point of view, compared to the overall savings, and GAO, when its report is viewed in its entirety, basically substantiated the tremendous work that the Commission had done and confirmed that, even with GAO's own views of the estimates, the annual savings would be substantial.

We have responded to that GAO report. We believe now that we need to concentrate on implementing those actions as required by law.

In summary, the base closures present us with some very tough challenges but also some enormous opportunities to save defense resources and taxpayer dollars.

We established a spirit of cooperation with the Base Closure Commission. We feel we need to build on that and press on with the future decisions that are tough which we know are ahead.

It is clear to us that we will have to come down further. To do so responsibly is what the American people demand.

PREPARED STATEMENTS

Thank you, Mr. Chairman. I appreciate that, and we stand ready to take any questions you may have.

[The statements follow:]

STATEMENT OF DAVID J. BERTEAU

Introduction

It is my pleasure to be here today to discuss the Department of Defense base closure initiatives. Two years ago Congress and the Department joined hands to break the base closure logjam and to realize what the GAO has called significant savings. Our current efforts to evaluate additional candidate installations for closure or realignment are equally as important. Current budget realities and the dramatic developments we are seeing in Eastern Europe underscore the importance of streamlining the Department of Defense. We must begin significantly reducing the size of our forces, and therefore must reduce a number of bases that support those forces. The Department is committed to balancing our base and force structures in order to responsibly reduce the Defense budget.

Secretary Cheney's Recent Announcement

Secretary Cheney recently announced proposals for additional base closures and realignments. This was a logical follow-on to the successive five year decline in the Defense budget, to his earlier decision to reflect a 2% per year real decline in Defense spending through FY 1994, and to the changing threats resulting from the dramatic developments in Eastern Europe. Secretary Cheney asked the Services to evaluate their basing requirements, both here and overseas, as they anticipated changes in their force structure. The list of installations announced by the Secretary as candidates for closure or realignment resulted from that request. The domestic installations and activities are currently undergoing the evaluations required by section 2687 of title 10, United States Code and by the National Environmental Policy Act (NEPA).

The Services nominated candidates based on management efficiencies recommended by the Defense Management Report (DMR) and similar studies, and on potential force structure reductions.

For instance, the Army, in conjunction with the DMR, is significantly streamlining both the Army Materiel and Information Systems commands to save over 1500 military and civilian spaces. The Navy, in response to the decreasing threat, is projecting a decrease in the required number of air wings and the supporting training structure. They are therefore considering closing both the El Centro and Chase air facilities. The Air Force has similarly determined that the threat allows for a decrease in the number of in-theater reconnaissance forces. The corresponding reduction in training requirements means retiring some RF-4C aircraft at Bergstrom AFB. The remaining aircraft at Bergstrom can be consolidated with training aircraft at other installations.

At overseas locations the closures are similarly driven. For instance, missions performed by the communications stations at Nea Makri, Greece and San Miguel in the Philippines can be absorbed by and performed at other installations. The INF agreement in Europe allows the drawdown of our forces at installations like RAF Greenham Common in the UK. These are but a few examples of how we have arrived at where we are today, trying to balance our force and base structures.

I would also note that the strategic and budgetary situation continues to evolve. This evolution may bring about further recommendations for closures and realignments. While we must continue to sustain a strong, forward deployed military presence overseas, global and regional trends make it possible for us, in consultation with our allies, to adjust some of our overseas facilities. Additional overseas closures and realignments will clearly be forthcoming once the Conventional Forces in Europe negotiations are completed. However, because less than 30% of DoD's major installations are located overseas, closing overseas bases is not the panacea some believe. We can also anticipate additional domestic closures as we strive to reduce the defense budget responsibly.

Proposed Base Closure Legislation

The study and decision process for the proposed additional base closures and realignments is primarily constrained by the Congressional restriction concerning when decisions can be announced, and by the lengthy public consideration required by the National Environmental Policy Act (NEPA) to evaluate the environmental impacts of closing a base. Consequently, the Administration has submitted legislation to streamline the base closure process: by allowing Congressional notification at any time; by eliminating waiting time; by waiving the procedural requirements of NEPA for base closure decision making, but not for environmental clean up, property disposal, or relocating activities; by delegating GSA's property disposal authority to the Secretary of Defense; and by establishing a permanent base closure account.

This legislation will aid substantially in the prompt, effective restructuring of the military base infrastructure.

Congressman Aspin has recently filed proposed legislation --H.R. 3908-- to form a base closure commission for these new closures and realignments. We oppose this legislation for four reasons: base closures are an Executive Branch function that is most effectively left to the Secretary of Defense, who has the responsibility to manage the Department's base structure; a commission can not be as expert as the Military Departments and Joint Chiefs of Staff in dealing with the complex issues of threats, national military strategy, forces, forward deployments, mobilization plans, and treaties; a commission could not provide the essential flexibility to respond effectively to the rapid changes we are experiencing; and, the timeframes provided in Mr. Aspin's proposed legislation are unrealistic.

Implementing The Commission's Recommendations

I'd like now to turn to the base closures and realignments that resulted from the Base Closure Commission's work. We've made significant progress in implementing the recommendations of the Commission. This is the Department's first real opportunity to present a comprehensive implementation and financial plan for these closures. The initial $500 million funding for the Base Closure Account in fiscal year 1990, coupled with our $917 million request for FY 91, are the first necessary steps toward implementation of a program that will eventually generate annual recurring savings of over $700 million.

FY 1991 Budget Request

Table One depicts our FY 91 base closure account budget request by major spending category.

TABLE ONE

FY 91 Base Closure Account Budget Request
($M)

Military Construction	670.6	
Family Housing		
Construction	38.5	
Operations	.4	
Operation and Maintenance	131.9	
Military Personnel		13.9
OTHER	50.2	
Homeowners Assistance Program		11.0
TOTAL	916.5	

Items of note within the FY 91 request are medical construction projects at Fort Gordon, Fort Jackson and Cannon AFB requiring $7 million, and non-appropriated fund projects at Fort Myer and Hickam AFB requiring almost $11 million from the Base Closure Account. While the Commission did not anticipate a requirement for additional medical facilities, thorough evaluations performed by the Services and the Defense Medical Facilities Office confirm these requirements. The Commission did recognize the need for additional non-appropriated fund facilities in the National Capital Region. Further analysis of non-appropriated fund requirements also confirmed the need for other projects.

Of the total $916.5 million requested, the Air Force will receive almost $426 million, the Army almost $364 million, and the Navy about $116 million. These amounts are higher than those forecast by the Department last year. Those estimates ($500 million in FY 90 and FY 91) were derived before the Commission issued its report. Greater detail, including project level data, is contained in the Department's budget justification which was submitted to the Congress two weeks ago.

FY 1989-FY 1995 Base Closure Financial Plan

Overall, this first round of closures will require $3.4 billion in base closure expenditures between FY 89 and FY 95 to execute all the required actions. During that same time frame, however, the Department will realize $2.6 billion in savings, primarily in the Operation and Maintenance and the Military Personnel accounts. We also hope for land sale proceeds of $2.3 billion between now and FY 95. During execution, therefore, the taxpayer can expect to realize a net gain of $1.5 billion by FY 95. Savings do not begin to outweigh costs on an annual basis, however, until FY 93.

Table Two depicts the total base closure costs and savings for each year of the program, including funds reprogrammed during FY 89.

TABLE TWO
TOTAL BASE CLOSURE PROGRAM COSTS and SAVINGS
($M)

	FY89	FY90	FY91	FY92	FY93	FY94	FY95	Total
COSTS:								
Military Construction	83.8	405.5	670.6	778.1	363.5	-	-	2301.5
Family Housing								
Construction	-	-	38.5	2.6	-	-	-	41.1
Operations	2.5	.4	.4	.4	.1	-	-	3.8
Operation and Maintenance	26.4	56.9	131.9	131.3	238.2	153.7	40.7	779.1
Military Personnel	-	6.2	13.9	17.0	15.3	6.5	-	58.9
Other	-	11.0	50.2	61.7	23.1	16.7	9.9	172.6
Homeowners Assistance Program	-	20.0	11.0	11.0	14.0	-3.0	1.0	54.0
TOTAL COSTS	112.7	500.0	916.5	1002.1	654.2	173.9	51.6	3411.0

SAVINGS:								
Military Construction	83.8	16.8	16.9	108.5	108.6	108.6	108.6	551.8
Family Housing								
Construction	-	12.6	16.9	8.5	9.7	11.3	3.5	62.5
Operations	-	-	15.0	22.1	23.5	63.6	69.2	193.4
Operation and Maintenance	-	6.5	48.3	78.7	118.6	271.2	318.6	841.9
Military Personnel	-	-.5*	25.4	77.0	191.8	305.7	310.8	910.2
Other	-	.5	.5	.7	.9	4.9	8.4	15.9
Civilian End Strength	-	-	(374)	(381)	(2886)	(5588)	(6110)	(6110)
Military End Strength	-	-	(2549)	(2745)	(7480)	(8982)	(9259)	(9259)
TOTAL SAVINGS	83.8	35.9	123.0	295.5	453.1	765.3	819.1	2575.7
REVENUES FROM LAND SALES	-	-	-	86.3	335.8	506.7	1411.7	2340.5

* Represents increased Military Personnel costs

The Base Closure Account will only be used for the one-time implementation costs associated with the Commission's base closure and realignment recommendations. While these costs may seem high, we must remember that we are not reducing our force levels with this first round of closures. Instead we are consolidating our operations. This requires building new facilities, and moving personnel and equipment to receiving bases.

Greater detail on the program's costs, savings, and other associated figures are contained in the Department's budget justification which was submitted to the Congress two weeks ago. This justification contains the complete FY89-FY95 base closure financial plan.

Environmental Cleanup

The Department is fully committed to the clean-up of each closing installation. In FY 1991, all environmental clean-up costs will be funded from either the Defense Environmental Restoration Account (DERA) or the Military Department's Operation and Maintenance appropriations. We will continue to follow the worst-first policy for use of the DERA account. While studies are not complete, we are estimating about $500 million in total environmental clean-up costs through FY 95, of which about $150 million will be eligible for DERA funding. Detailed estimates are included as part of the base closure justification.

Environmental studies are underway and we anticipate completing most of them this year. Community reuse plans are also ongoing. When both are complete, we can balance the anticipated reuse with the necessary cleanup and derive better estimates of costs.

GAO Review of the Commission's Recommendations

The Commission's recommendations have been exhaustively reviewed by the General Accounting office. Their November 29, 1989, report affirmed the soundness of the methodology used by the Commission to identify candidate bases and to estimate costs and savings. The GAO report, viewed in its entirety, substantiates the tremendous accomplishment of the Commission. Their findings confirm that even with their own views of the estimates, the annual savings are substantial. Some supporters of individual closing bases have alleged the Commission made "serious mistakes", but the Commission did not. The Department's February 28, 1990, response to the GAO report definitively puts those allegations to rest. We must now concentrate on implementing all these actions as required by law.

Conclusion - Base Closures

In summary, base closures present us with some of our best opportunities to save valuable Defense resources and taxpayer dollars. We need to build on the spirit of cooperation achieved during the initial base closure effort, and press on with the tough future decisions we know are ahead. The American people demand and deserve our best effort.

Defense Agency MILCON

I'd like to now turn to the FY 91 Defense Agency Military Construction programs. The Defense Agency MILCON requests range from the smallest at $3.9 million for the Strategic Defense Initiative, to the largest at $295.5 million for medical facilities. The entire request, after subtracting the $916.5

million for Base Closures, totals over $808 million. Table three depicts the FY 91 MILCON request by Agency or activity.

TABLE THREE

FY 91 Defense Agency MILCON Budget Request
($M)

Defense Communications Agency	4.2
Defense Intelligence Agency	11.8
Defense Logistics Agency	90.3
Defense Nuclear Agency	73.4
National Security Agency	30.5
Secretary of Defense Activities	
Defense Medical Activities	295.5
Dependent's Schools	75.4
Strategic Defense Initiative	3.9
Classified	34.4
Other	7.2
Special Operations	52.2
Contingency Construction	12.7
Minor Construction	13.0
Planning and Design	104.3
TOTAL	808.8

Defense Medical Activities

The largest agency request, at $295.5 million, is for 27 medical construction projects. Of this amount, $62.2 million is to correct serious deficiencies in medical facilities located outside the continental United States, where satisfactory alternative sources are not available for military personnel and their families. The largest project in this category is the replacement of the U. S. Army Hospital at Vicenza, Italy at a cost of $28 million. This project is not affected by force reductions and is one of the highest construction priorities of the Commander in Chief, European Forces.

Other significant medical projects include $77 million for the fourth phase of the Brooke Army Medical Center at Fort Sam Houston, Texas and $40 million for the replacement of the Naval Hospital at Portsmouth, Virginia.

Also included in this request is $63.9 million for projects that will correct serious deficiencies at medical and dental facilities supporting military personnel at locations within the

Continental U.S. The largest amount requested in this category is $56 million for the Department's share of the facility the DoD and Veterans Affairs will jointly fund and operate at Nellis AFB in Nevada.

Defense Logistics Agency

The Military Construction request for DLA totals $90.3 million. Over $13 million of this request is for 26 conforming storage tanks for hazardous and toxic material to comply with environmental standards under the Resource Conservation and Recovery Act. These tanks will be used for temporarily storing hazardous materials and waste awaiting reutilization, sale or disposal.

Other significant items include over $55 million to modernize and improve depot storage facilities. These projects are $15.1 million for two replacement warehouses located at Mechanicsburg, Pennsylvania, $13.5 million for a bulk storage warehouse at Columbus, Ohio and $11.9 million for a replacement warehouse at Memphis, Tennessee.

Defense Nuclear Agency

There are three DNA MILCON projects requested for FY 91. The largest, at $64.8 million, is for a Large Blast/Thermal Simulator facility to be constructed at the White Sands Missile Range, New Mexico. This facility will allow for simulated nuclear and thermal survivability testing which present capabilities cannot adequately test.

The remaining two projects, at over $4 million each are for a consolidated maintenance facility and a community support complex at Johnston Atoll. These projects are critically needed for the continued support of the Chemical Munition Demilitarization Plant located at Johnston Atoll.

Dependent Schools

The DoD Dependents Education Program request is for $75.4 million. Because of the uncertain base rights situation in the Philippines, possible troop reductions in Korea and the fact that virtually all DoDDS construction in Japan since 1985 has been funded under the auspices of the Japanese Facilities Improvement Program, this FY 91 request is focused on European Command requirements. The bulk of this request is $60.2 million for nine additions to current facilities and $15.2 million for kitchen/multipurpose rooms at 24 schools. These 24 kitchen/multipurpose rooms will enable these schools to provide an adequate, nutritionally balanced hot lunch program to our students. Given the current situation of potential force reductions in Europe, the priorities reflected within this request have been personally reviewed by CINCUSAEUR and CINCEUCOM. All the schools affected by this request support U.S. forces that would remain after U.S. forces are reduced to the level proposed by President Bush for reduction of convential forces in Europe.

Special Operations Command

The FY 91 Special Operations request totals $52.2 million. This request is for $7.5 million for the Army, $30.2 million for the Navy and $14.5 for the Air Force Special Operations Commands respectively. The overall program includes 13 major construction projects of which three are for special operations reserve units.

Conclusion - MILCON

The Defense Agency MILCON request is a conservative program that takes the current budgetary and force structure situation into account. The balance of projects, not highlighted today, are less visible, but not less important.

STATEMENT OF WILLIAM A. STOFFT

INTRODUCTION

Good Morning, Mr. Chairman. I am Brigadier General Bill Stofft, Director of Management, Office of the Chief of Staff, Army. I sincerely appreciate the opportunity to share with you the Army's view of Base Realignments and Closures and how they fit into the Army Secretary and Chief of Staff's vision for the future. This is fundamental and important.

We are reshaping an Army and its base structure to maintain Army mission capabilities, protect soldier quality, ensure modernization, and provide flexibility and expansibility.

I would like to address two distinct sets of Base Realignment and Closure initiatives which, when combined, will produce a radically different basing and installation support scheme from what we know today. The first initiatives are those recommended by the Defense Secretary's Commission on Base Closures and Realignments on 29 December 1988 and mandated by Public Law 100-526. The second set of initiatives reflects the base realignment and closure proposals associated with the force structure reductions announced by the Secretary of Defense on 29 January of this year. These are important issues for our Army, especially for the soldiers, families, and civilians who work at these installations as well as the splendid neighboring communities in which these bases have developed. We are committed to prompt, thorough, thoughtful, and resolute action in these proceedings to minimize the turbulence on the soldiers, the civilian work force, and the communities and to maximize the support and assistance to all involved. To place these proposals in context, we need to discuss both actions merged into one strategic plan.

BASE REALIGNMENT AND CLOSURES: ROUND 1

On the 29th of December 1988, the Congress and the Department of Defense entered a new era of cooperation in the ongoing effort to streamline the Defense Department's daily operations and increase its operating efficiency. In accordance with the provisions of Public Law 100-526, the SECDEF's Commission on Base Closures and Realignments delivered its final report to the SECDEF who in turn forwarded it to Congress for approval. The House voted overwhelmingly to allow the Commission's recommendations to stand by a margin of 381 to 43 and provided us the mandate necessary to begin bringing the stateside installation structure into trim. These recommendations broke the logjam that had for so long kept us from closing unneeded or underutilized facilities. Since that announcement, we have been working hard to develop a plan to execute this mandate, the results of which were forwarded to this Committee three weeks ago in the form of the Base Realignment and Closure Justification Book. The justification book reflects the macro level timing and resourcing necessary to execute our obligations under PL 100-526. These Commission recommendations assumed stable force structure and focused on the installations themselves and their utility in supporting the force. Their overall recommendations provided a clean baseline from which we can move forward.

Implementation of the Commission's recommendations will affect 133 Army installations. Seventy-six installations, including 53 stand-alone housing sites, will be closed. Seven installations that will not be closing will both lose and gain activities. Six installations will lose activities while 44 will gain activities. You can see by the sheer number of installations involved that the Army has a tremendous challenge before it. Nevertheless, the program that I am presenting today will accomplish all the relocations within the statutory time limit of 1 January 1990 to 30 September 1995 while minimizing costs and maximizing savings. Guiding tenets in developing our program have been to obey the law, comply with environmental policies, manage the process efficiently, work with the affected communities, minimize adverse effects on personnel, and move no activity before adequate facilities are available to support and house them.

FINANCIAL SUMMARY

The financial summary of the Army's Base Realignment and Closure Program is shown in Table 1. One-time implementation costs during the period FY 1990-1995 total $1,468 million. Savings during the same period, primarily due to elimination of 2,269 military and 3,657 civilian personnel, total $753 million. Proceeds from land sales are anticipated to be $1,009 million. Therefore, the net cost of implementation is programmed to be -$294 million. Recurring savings are estimated to be $264 million per year starting in FY 1996.

During the period FY 1990-1994, the Commission's model estimated implementation costs to be $1,558 million, savings to be $1,539 million, proceeds from land sales to be $1,082 million, and a net cost of -$1,063 million. The dramatic difference in savings between the Commission's estimate and the Army's program is primarily due to the Commission's assumption that many of the moves and the personnel eliminations could be accomplished early during execution. This would enable the resulting reductions in operation and maintenance and personnel costs to accrue for a longer period of time thereby increasing savings. In reality, this is not possible due to the requirement to construct facilities at gaining installations and to comply with the National Environmental Policy Act. As a result, relocations that the Commission assumed would be accomplished in FY 1990 and FY 1991 are in fact scheduled to be accomplished in FY 1994 and FY 1995.

Even though the Army's estimates of proceeds from land sales are similar to the Commission's land values, they are in fact quite different. The Commission estimated the value of the Presidio of San Francisco land to be $555 million, regardless of whether it could be sold. However, with the exception of 36.5 acres surrounding the Public Health Service Hospital, the Army cannot sell the Presidio since P.L. 92-589, 26 Oct 72, requires that control of the Presidio reverts to the Department of the Interior when it becomes excess to the needs of the Defense Department. Consequently, the Commission's estimate of $500 million cannot be realized.

The Army requests $363.7 million in Base Closure Account funding for FY 1991. As with our FY 1990 program, the majority of this request, $253.4 million, is for construction of facilities at gaining installations. The remaining portion of our request will be utilized to

a. Move personnel and equipment.

b. Manage real estate, environmental restoration, and information management area actions.

c. Relocate Graduate Medical Education students from Letterman Army Medical Center to other medical centers.

d. Purchase and install information systems equipment for new and renovated facilities.

Savings during FY 1991 result primarily from closure of 36 stand-alone housing sites and the resulting avoidance of operation and maintenance expenses.

IMPLEMENTATION

By the end of FY 1991, the Army will have initiated all of the Commission's recommendations as required by Public Law 100-526. We will complete all moves within this timeframe as well. The implementation schedule for each of the packages is shown in Table 2.

ENVIRONMENTAL COMPLIANCE

The Army is fully committed to compliance with all environmental statutes. In order to comply with the National Environment Policy Act in executing the Commission's recommendations, the Army will publish twelve environmental impact statements (EISs), fourteen environmental assessments (EAs), and one programmatic environmental assessment. Completion dates for these documents are shown in Table 3.

The Army is conducting studies in accordance with the Installation Restoration Program (IRP) to identify contamination at installations that will be closed. The existing protocol has been expanded to include asbestos, PCBs, and other contamination not normally investigated as part of the IRP.

The Army will ensure that environmental contaminants, either migrating into the groundwater or present in the soils, will be treated, contained, or managed to acceptable human health or environmental standards. The Army's cleanup goal is to accomplish land disposal actions with no restrictions on the property's future use.

We will also determine if potential non-Army future land uses exist that are complimentary and compatible with existing land use. Where appropriate, these properties may be disposed of with restrictions placed on their future use. Such a disposal will not take place where an unacceptable human health or environmental hazard would exist. A final decision will be made only after existing environmental conditions have been assessed in an Environmental Baseline Survey which considers contamination, endangered species, cultural resources, and other environmental issues.

If transferred to another federal agency, the Army will take the lead for all restoration studies and investigations. Who pays for the actual clean-up will be negotiated between the Army and the gaining agency. Unless DERA funds are available, Operation and Maintenance, Army funds will be used for environmental clean-up. No DERA funds will be used unless the site qualifies under DERA criteria alone. No extra weight will be given to a site during the DERA ranking process simply because it is a base closure site. Estimates for clean-up of base closure sites are shown in tables 4 and 5.

BASE REALIGNMENT AND CLOSURES: ROUND 2

Round 1 had one major assumption that makes it completely different from the Round 2 proposals--the force structure was assumed to remain constant. The focus of the Commission in Round 1 was the installations themselves and how to make the overall installation inventory more efficient. In contrast, the newest proposals are predicated on the assumption that the force will become smaller hence we must downsize the supporting base structure. The work done by the Commission provided the Army with a baseline to evaluate the future basing requirements of the force.

The Army is currently experiencing a radical change in the fundamental assumptions that have guided our stationing policies and consequently our base structure for the past 45 years. With the monumental changes in the communist alliance in eastern Europe and the emphasis on fiscal constraint within our Government, we have begun to relook at how and where we base our forces. The recently announced force structure changes and the attendant base realignment and closure initiatives reflect the initial stages of how we intend to deal with the realities of a shrinking Defense budget and a threat whose nature has changed. This round of Base Realignments and Closures is based on the need to transition our Army to a smaller more capable force in response to the realities above and not solely for the sake of efficiencies as was the case in the first round.

Our proposals to reduce the base structure are clearly linked to the force structure reductions posited by the Defense leadership in late January. They have been balanced against an assessment of our strategic requirements and the funding we see being available in the future. These proposals reflect a plan to accommodate the force structure of the future while sacrificing neither readiness nor our position in the current arms negotiations.

Secretary Cheney has put forth a proposal to greatly simplify and streamline the base closure process. The Army fully supports this initiative because it will allow us to adjust our base structure in concert with our force structure decisions. This approach will ensure our ability to tailor the supporting infrastructure as we evolve the force of the future without the time consuming requirements that have heretofore stymied our base realignment and closure initiatives.

The Fiscal Year 91 budget, and the Base Realignment and Closure Budget therein, reflects the initial stages of our plan to shape the Army of the future. It not only recognizes that we will have a smaller Army in the future, but also acknowledges that to ensure the security of this nation we must maintain a highly professional Army, trained, equipped, and ready for the myriad of complicated and evolving threats we will face in the future.

The Army has been working diligently to develop a framework which clearly and coherently links the realities of the evolving global security environment and a substantially altered threat with our strategic vision and present fiscal conditions. This framework dictates a strategy which focuses on maintaining the Army as a viable strategic instrument by ensuring we maintain a quality force; a forward looking warfighting doctrine; the appropriate mix of forces; tough, realistic training; modernized equipment, and competent leaders. We will have a smaller Army, but it must be a good one. All of the imperatives above drive our need to maintain a flexible stationing plan that provides the Army of the future with the requisite infrastructure to care for, train, modernize, and deploy our force into the 21st century.

The proposals to reduce our force structure make it inevitable that we reduce the accompanying base structure if we are to serve as effective stewards of a dwindling resource base. With the reduction in the end-strength, we will simply have too much installation capacity. We must redirect our remaining resources to ensure we provide quality facilities to the remaining force.

Our near and mid-term plans focus on reductions and realignments within the continental U.S. as we await the outcome of the ongoing arms negotiations. As the situation regarding overseas basing becomes better defined we will begin making more definitive assessments and plans of our forward basing needs.

Ultimately, we envision the Army evolving into a more "U.S. based" force with a smaller portion of our total force being forward deployed. But this will be the result of ongoing treaty negotiations; meanwhile, we must maintain a high state of readiness in order to rapidly deploy in support of contingency or reinforcing operations. Our challenge is clear, we must retain and develop the bases and installations that best support the versatile, deployable and lethal Army of the future.

The Army made its January program adjustments based on a long and careful strategic analysis that started in the Fall of 1987 when we began to seriously assess the impacts of successful conventional arms control and force reduction agreements in Europe. At that time, the Army had already experienced negative real growth in its budget and we could see that the Soviet threat was very likely to be reduced by negotiation.

Although, until the Fall of 1989, Army planning did not fully anticipate the rapid pace and pervasive nature of the change in Eastern Europe and the Soviet Union, the Army was able to postulate a new end state that remains appropriate to our vision of the world in the near years. That vision is a four corps, twenty-three division Army.

The force structure reductions and realignments which evolved from that strategy necessitated an installation strategy to support the new force configuration. In developing the January installation proposals, the Army employed multiple criteria to ensure that the specific installations proposed for closure or realignment reflected our strategic plan, the new force mix, and the support needed for a more U.S. based troop structure. In addition, fiscal constraints required us to assess new realignments which would enhance productivity and efficiency and lessen the cost of our infrastructure support. In short, the January base realignments and closures were guided not only by force reductions and reconfigurations, but also by Defense Management Review (DMR) and Army Management Review (AMR) decisions to streamline, reconfigure, and consolidate such Army activities as test and evaluation, information systems, and logistics support.

Unlike the Commission's Round 1 recommendations which were enacted into law and currently are being implemented, Secretary Cheney's announcement of 29 January proposed further restructuring necessary to reflect the changing threat and the concomitant reduction in defense budget resources. These proposals require and will receive significant further study and analysis prior to formal decision. Analyses will include compliance with the provisions of the National Environmental Policy Act (NEPA) of 1969; study of the fiscal, budgetary, local economic, operational and strategic impacts of each proposal; and compliance with the provisions of 10 U.S.C. 2687, if applicable. In addition, each proposal, as well as the proposals in aggregate, will be assessed against the long-term installation requirements now being studied for the projected final Army end-state for the 21st century.

We recognize the environment is dynamic and evolving. Our responsibility is to ensure that the 29 January mid-term proposals make sense and strategically fit into the final long-range plan. Only after completion of this process will the Army be in a position to determine whether to proceed with the proposed closures and realignments.

The smaller Army dictated by our mid-term planning requires less infrastructure; it is as simple as that. In choosing which posts to cut, the Army determined which posts made the least contribution to the Total Force at the margin. We are proud of all of our installations, and they all have benefited from enhancements to the infrastructure in recent years. There are no easy choices. In addition, the Army's installations, particularly those where we conduct unit training and operations, and the land on which they are sited are a precious resource. It makes no sense to excess properties which may be required for a future foreseeable military requirement only to not be able to replace them when needed or to expend considerable funds to try to rebuild a capability. In short, the need for reversibility and expansibility in our infrastructure also was involved in the deliberations which led to our January proposals.

In addition to closures and realignments driven directly by force structure reductions, Round 2 proposals also include realignments and closures resulting from the DMR and AMR analyses. Given the challenge of the DMR, the Army responded by making changes in its organizational management and philosophy across the spectrum of its management responsibilities.

RECOGNITION OF THE HARDSHIP

As previously noted in the aggregate, the Army's recommended Round 2 base realignments and closures propose to close and/or layaway 12 bases or plants and undertake at least a dozen major realignments, along with numerous smaller realignments or reductions at various Army installations. The Commission's Round 1 recommendations affect 133 Army installations. In making these proposals and in implementing the Commission's recommendations, we recognize and, to the maximum extent possible, will attempt to mitigate the inherent hardships which accompany such announcements not only to our own soldiers, civilians and their families but also the surrounding communities and states in which these installations are located. In the case of the January proposals, new construction projects will be postponed and minimum maintenance funds will be expended as long as an installation is under consideration for closure. This degrades the physical condition of the facilities and leaves the post with an extensive backlog of essential work if a status quo decision is made. The threat of closure and the perceived or real threat to job security also cause some employees to find other employment rather than wait for decision on the installation's future. Inevitably, the local economy may suffer even before a final decision is reached. Recognizing that closure and realignment studies have an adverse effect on both employees and mission accomplishment even if no change is made, I wish to assure you that we will move as expeditiously as possible to conclude the studies necessary to reach final decisions and respectfully urge the Congress to assist our efforts to move as quickly through the process as you did with the Commission's effort.

To help partially alleviate the hardships in this process, the Army will continue to be sensitive to the needs of the work force at all affected installations. We fully understand the dilemma facing each civilian employee. It has been long-standing Army policy to provide placement assistance and to make all reasonable efforts to find continued employment for its affected employees. Placement assistance includes registration in the defense-wide Priority Placement Program. Registrants under this program will be afforded priority placement consideration to vacancies arising within the Department of Defense for which they are qualified and available. Where displaced employees are required to relocate in order to continue their Federal employment, their transportation and moving expenses will be paid by the Government.

For those employees who cannot be placed or who wish to remain in their present geographic area, the local personnel office will assist in finding local employment. Additionally, the Office of Personnel

Management administers a Displaced Employee Program to assist in placement with Federal agencies.

Another benefit program is the Homeowners Assistance Program. The Army is the Department of Defense Executive Agent for implementation of the Homeowners Assistance Program. It is an entitlement program for both military and civilian homeowners who are unable to sell their homes in a depressed real estate market due to a base closure or realignment decision. The announcement on 29 January 1990 for potential new reductions and closures places additional requirements on the program. As a result of the timing between the 1991 budget submittal and the announcement, these additional requirements were unable to be programmed. Included in the FY 1991 legislative package is a request for authority to transfer monies from other available appropriations to the Homeowners Assistance Fund. The flexibility to obtain resources as a result of unforeseen impacts is needed for this entitlement program.

ECONOMIC REUSE OF CLOSED/LAYED AWAY INSTALLATIONS

Of paramount importance when facing base realignments and closures is to help mitigate the impact on the affected state and local communities. The very words "base closure" incite the full range of emotions from anger to fear to uncertainty for both Department of Defense personnel and the local community. Rarely does it instill a sense of opportunity. However, based on historical experience from previous base closures we know such opportunity indeed exists. This negative perception can and must be turned around but to do so will require an intensive campaign by local communities to develop and explain the positive possibilities for base reuse by other Federal agencies, state and local governments, and most especially the private sector. The Army is committed to working with local communities to establish broad-based reuse organizations and working with those organizations on innovative ways to reuse closed or layed away bases to create jobs. Handled without organization, base closure and realignment actions can have a devastating effect. This negative impact must be prevented and the Army and Defense through its Office of Economic Adjustment will continue an all out effort to form a partnership with local community reuse organizations to achieve successful reuse transitions.

IMPLEMENTATION: ROUND 2

The analysis, final decision, and implementation for proposals announced in January will be more complex than the closures and realignments under Round 1. The Army supports and encourages the Congress to enact the proposed legislation submitted by the Secretary of Defense. Nevertheless, the Army has initiated its well established procedures designed to develop the detailed information and data required to fulfill the specific requirements of 10 U.S.C. 2687 and the National Environmental Policy Act for proposals shown in Table 6. Major components of this process are the:

Realignment Summary. This will validate our proposals with essential data and analyses necessary for a final Army decision. It will include information such as the proposed action; the rationale for it; the changes it entails; the alternatives considered; major advantages and disadvantages of the action; the environmental consequences expected from its implementation; impacts of the action on manpower and dollars; effects on losing and gaining installations; impacts on affected communities; local community participation; and discussion of the strategic and operational implications and other major factors.

Analysis of Alternatives. This analysis provides a comparison of the feasible courses of action considered in selecting the action recommended for decision. It makes use of evaluation criteria (e.g., facilities/housing availability; capital investment; availability of water, sewage treatment, energy, refuse disposal, and maneuver and range areas; geographic location; environmental impacts; training environment; personnel impacts; budget impacts; reserve component support, etc.) that enable concurrent evaluation of the benefit and impact of alternatives and is the basis for decision briefings to the Army leadership.

- Case Study Justification Folder (CSJF). A CSJF is developed for proposals that are expected to have substantive resource impacts. This document will also be an implementation document in that it serves as the basic source for adjustment of manpower, budget, and funding levels resulting from the decision. All resource impacts at losing and gaining bases will be developed.

Environmental Documentation. Compliance with the National Environmental Policy Act will be requires for the proposed actions. Environmental documents will identify the environmental, social, and economic impacts in a sufficient manner for general public comment and understanding. This document will be developed concurrently with other realignment and closure documents.

ENVIRONMENTAL COMPLIANCE: ROUND 2

Last month, the Army announced in the Federal Register its intent to conduct Environmental Impact Statements on the proposals to close Fort Ord, Fort McClellan and Sacramento Army Depot. Environmental assessments are being prepared for the other proposals. Depending on the results of these assessments, additional environmental impact statements may be necessary. Our initial milestone schedule for the major actions is shown in Table 7.

THE PATH AHEAD

The future has become even more uncertain with the radical changes now underway in Eastern Europe. While I am sure we all hoped the specter of communism would fade from Europe, no one could have predicted its headlong retreat at the pace we see today. While the dynamic and unpredictable nature of this change makes it increasingly difficult for us to project exactly our Army of the future, we do know that it will be smaller and must be more capable and flexible than ever. Consequently, we cannot say that the realignments and closures recently proposed will be the last word. We must look at our basing needs in an iterative manner and continually match the needs of our force to the best and most efficient installation support structure.

Along with the uncertainties we see in the political order of the future, we feel the pressures to reduce spending and increase efficiencies and productivity. In response to this need, DOD and the Army have launched several initiatives to streamline and consolidate our management and support infrastructure. The initiative that will most likely heavily influence our base realignment and closure actions is the Army Management Review (AMR), a subset of the larger DOD initiative known as the Defense Management Review (DMR). With this set of management initiatives, the Army intends to reduce the size of selected management and support activities and combine related functions where feasible to produce a leaner, more efficient management structure. These initiatives will cause realignment of people and functions, and could conceivably cause the closure of selected activities when combined with other realignment and closure initiatives.

MANAGEMENT OF BASE CLOSURE

This collection of initiatives sounds extremely complicated, and in many ways it is, but our plan to execute is quite simple.

Round 1 actions, those dictated under P.L. 100-526, are designed to provide the Army with a clean baseline installation structure. We are in the initial stages of execution and the effort is clearly on course, all we need is the funding.

Round 2 actions, those announced by the SECDEF on 29 January, are balanced against the baseline installation structure as a result of the Commission's work. We are analyzing our base structure needs by weighing our strategic and operational requirements, which are determined by our assessment of the threat, against the fiscal constraints we face. This comparison will lead us to select the combination of installations that best supports our Army's requirements in the most efficient and cost effective manner.

We intend to manage the change prudently, yet with enough flexibility, to accommodate the uncertainties of the future into our plan which provides a coherent, rational stationing plan for the force.

The Secretary and Chief of Staff of the Army have delegated the responsibility for managing and coordinating all base realignment and closure actions to Mrs. Susan Livingstone, the Assistant Secretary of the Army for Installations, Logistics, and Environment [ASA(I,L&E)], and me. This enormous task consists of two major components: the evaluation of the proposals and the execution of the decisions. A general description of the process is as follows.

The first part of this process is to coordinate the evaluation of the realignment and closure proposals developed by the operational staffs within the Headquarters and the Army in the field. Based on all the studies referenced earlier, we assemble the requisite information and evaluations to support a review and decision by the Army's senior leadership on which bases the Army proposes to close or realign. The Secretary of the Army then forwards his recommendations along with the supporting evaluations to the Secretary of Defense. The Secretary of Defense, in turn, forwards the appropriate decisions and evaluations to the Congress, as required by 10 U.S.C. 2687.

Once the decisions are made, Headquarters, Department of the Army plans the execution of the initiatives. We plan centrally, resource from the Headquarters, and execution is accomplished by the Major Army Commands (MACOMs).

The ASA(I,L&E)'s role is to establish Army policy regarding base realignments and closures. I am charged with managing the execution of the realignments and closures to include the integration of the Army staff and the MACOMs to ensure the Army has a sound, workable plan that provides a base structure capable of supporting the force structure of the future. We both work with military construction, environmental, manpower, and other special staff agencies to ensure full staff integration and compliance with laws and regulations.

The execution of the Round 2 base realignment and closure initiatives, i.e., the detailed planning necessary to make it happen for those currently under consideration, as well as those mandated under Round 1, will be conducted by the MACOMs who "own" the units and installations affected by these proposals. Additionally, the studies required to reach the realignment and closure decisions will be conducted by the MACOMs during our evaluations.

This is the management structure that has been in place within the Army for several years. We intend to use existing systems and processes to execute these critical initiatives while minimizing operational impacts.

In summary, we will execute the Commission's Round 1 recommendations to the letter. We will continue to evaluate the proposals put forth on 29 January and execute those that are strategically, fiscally, and operationally prudent. Finally, we will balance all the currently announced initiatives against the global security environment as it evolves around us to ensure our plans for stationing will support the national security policy of the future.

CONCLUSION

The Army's initiatives to meet the challenges must be seen as the evolution of an institution dedicated to the defense of our great nation, not the demobilization of a conquering Army. During the demobilization of post-World War I and II, we rushed headlong to dismantle the force with little regard for the consequences. We paid for such haste in blood at the beginning of World War II with the disaster of Pearl Harbor and defeat in the Philippines. Again, we paid in Korea when we rushed untrained and undermanned divisions into combat. We must institute a controlled restructuring effort that allows us to conscientiously and responsibly reshape the Army based on national security requirements as well as fiscal constraints.

T.S. Eliot wrote in "The Hollow Men;"

> Between the idea
> And the reality...
> Falls the shadow

We have the idea--a smaller, more versatile, deployable, and lethal force. We are working hard to make it a continuing reality. Yet, we still operate in the shadow of uncertainty. With your help and support, we will emerge from this restructuring with a viable, professional Army--an Army that has the quality facilities and installations to ensure its role as a potent, strategic asset.

TABLE 1

P.L. 100-526: ROUND ONE

BASE REALIGNMENT AND CLOSURE ARMY FINANCIAL SUMMARY (DOLLARS IN MILLIONS)

	FY 1989	FY 1990	FY 1991
ONE-TIME IMPLEMENTATION COSTS:			
Military Construction	23.0	175.9	253.4
Family Housing			
Construction	0	0	0
Operations	2.5	0	0
Operation and Maintenance	17.4	26.0	71.8
Military Personnel - PCS	0	0	1.1
Other	0	9.3	37.4
Revenues from Land Sales (-)	0	0	0
TOTAL COSTS	42.9	211.2	363.7
SAVINGS:			
Military Construction	23.0	9.2	15.3
Family Housing			
Construction	0	0	0
Operations	0	0	15.0
Operation and Maintenance	0	1.5	3.7
Military Personnel	0	-0.5	0.9
Other	0	0	0
Civilian ES	(0)	(0)	(25)
Military ES	(0)	(0)	(145)
TOTAL SAVINGS	23.0	10.2	34.9
NET IMPLEMENTATION COSTS:			
Military Construction	0	166.7	238.1
Family Housing			
Construction	0	0	0
Operations	2.5	0	-15.0
Operation and Maintenance	17.4	24.5	68.1
Military Personnel	0	0.5	0.2
Other	0	9.3	37.4
Revenues from Land Sales	0	0	0
Civilian ES	(0)	(0)	(25)
Military ES	(0)	(0)	(145)
NET IMPLEMENTATION COSTS	19.9	201.0	328.8

TABLE 1
(Continued)

P.L. 100-526: ROUND ONE

BASE REALIGNMENT AND CLOSURE ARMY FINANCIAL SUMMARY (DOLLARS IN MILLIONS)

	FY 1992	FY 1993	FY 1994	FY 1995
ONE-TIME IMPLEMENTATION COSTS:				
Military Construction	332.1	182.1	0	0
Family Housing				
Construction	0.8	0	0	0
Operations	0	0.1	0	0
Operation and Maintenance	83.1	75.8	119.8	32.2
Military Personnel - PCS	0	0	0	0
Other	33.9	14.2	9.4	9.9
Revenues from Land Sales (-)	-86.3	-35.8	-127.3	-760.1
TOTAL COSTS	363.6	236.4	1.9	-718.0
SAVINGS:				
Military Construction	19.3	19.4	19.4	19.4
Family Housing				
Construction	0	0	0	0
Operations	17.3	18.7	45.5	45.4
Operation and Maintenance	4.5	20.9	90.8	130.7
Military Personnel	15.4	61.0	87.4	80.2
Other	0.2	0.2	4.0	8.0
Civilian ES	(32)	(1,479)	(3,185)	(3,657)
Military ES	(975)	(1,644)	(2,143)	(2,269)
TOTAL SAVINGS	56.7	120.2	247.1	283.7
NET IMPLEMENTATION COSTS:				
Military Construction	312.8	162.7	-19.4	-19.4
Family Housing				
Construction	0.8	0	0	0
Operations	-17.3	-18.6	-45.5	-45.4
Operation and Maintenance	78.6	54.9	29.0	-98.5
Military Personnel	-15.4	-61.0	-87.4	-80.2
Other	33.7	14.0	5.4	1.9
Revenues from Land Sales	-86.3	-35.8	-127.3	-760.1
Civilian ES	(32)	(1,479)	(3,185)	(3,657)
Military ES	(975)	(1,644)	(2,143)	(2,269)
NET IMPLEMENTATION COSTS	306.9	116.2	-245.2	-1,001.7

TABLE 2

P.L. 100-526: ROUND 1

IMPLEMENTATION SCHEDULE

Package	Start	Finish
Pueblo Depot Activity	FY 90	FY 94
Lexington-Bluegrass Army Depot	FY 91	FY 95
Army Material Technology Laboratory	FY 91	FY 95
Jefferson Proving Ground	FY 91	FY 95
Umatilla Depot Activity	FY 90	FY 94
AMC Other Properties	FY 90	FY 95
Fort Dix	FY 90	FY 93
Presidio of San Francisco	FY 91	FY 95
Hamilton Army Airfield	FY 91	FY 94
Fort Sheridan	FY 91	FY 94
Fort Douglas	FY 91	FY 95
Fort Meade, Fort Holabird, CIDC HQ	FY 91	FY 95
Fort Devens-Fort Huachuca	FY 91	FY 95
Cameron Station	FY 91	FY 95
Stand-Alone Housing	FY 90	FY 93

TABLE 3

P.L. 100-526: ROUND 1

ENVIRONMENTAL DOCUMENTATION MILESTONES

Environmental Impact Statement	Completion Date
Fort Dix	2 Jul 90
Fort Devens-Fort Huachuca	4 Jul 90
Presidio of San Francisco	12 Sep 90
Fort Sheridan	16 Sep 90
Fort Douglas	23 Sep 90
Fort Meade	24 Sep 90
Army Material Technology Laboratory	30 Sep 90
Jefferson Proving Ground	27 Jan 91
Cameron Station-Fort Belvoir	27 Jan 91
Hawthorne AAP-Fort Wingate-Umatilla-Navajo	14 Mar 91
Pueblo Depot Activity	14 Apr 91
Lexington-Bluegrass Army Depot	30 Apr 91

Environmental Assessment	Completion Date
New Orleans Military Ocean Terminal	15 Apr 90
Tacony Warehouse	15 Apr 90
USARC Gaithersburg	22 Apr 90
Hamilton Army Airfield	23 Apr 90
Fort Des Moines	30 Apr 90
NG Bennett	30 Apr 90
Nike Kansas City 30	30 Apr 90
DMA Herndon	24 May 90
Coosa River Storage Annex	30 May 90
Kapalama	30 May 90
Cape St. George	30 Jun 90
Indiana AAP	30 Jun 90
Pontiac Storage	30 Jun 90
Nike Aberdeen	30 Jun 90

Programmatic Environmental Assessment	Completion Date
Stand-Alone Housing	30 Mar 90

TABLE 4

P.L. 100-526: ROUND 1

BASE REALIGNMENT AND CLOSURE DERA FUNDED ENVIRONMENTAL CLEAN-UP COSTS

(DOLLARS IN MILLIONS)

Installation	FY 1990	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
Alabama AAP	0.25	13.10				
AMTL		10.00				
Fort Meade	0.40	1.50				
Hamilton AAF		0.50				
Umatilla	0.50	1.40	1.00	2.00	1.00	1.00
TOTAL	1.15	26.50	1.00	2.00	1.00	1.00

TABLE 5

P.L. 100-526: ROUND 1

BASE REALIGNMENT AND CLOSURE O&M FUNDED ENVIRONMENTAL CLEAN-UP COSTS (DOLLARS IN MILLIONS)

Installation	FY 1990	FY 1991	FY 1992	FY 1993	FY 1994	FY 1995
Alabama AAP			0.70	0.10	0.10	0.10
AMTL	2.45	2.50	25.00	22.50	8.55	0.50
Bennett ANG	0.10	0.50			0.40	
Cameron Station	1.05	1.10	9.75	0.10		
Cape St. George	0.05	0.05			0.35	0.05
Coosa River	0.55	0.10		3.30	0.05	
DMA-Herndon	0.45	0.05	0.60			
Fort Des Moines	0.35	0.20			1.90	0.05
Fort Douglas		0.35		1.00	0.10	0.05
Fort Holabird	0.15	0.30	0.05			
Fort Meade	1.50	1.00	30.00	20.00	0.40	0.10
Fort Sheridan	1.80	0.30	5.00	0.90		
Fort Wingate		0.50	5.00		4.50	
Gaithersburg RC	0.20				2.00	0.30
Hamilton AAF	1.10		0.10	4.22	0.08	
Housing Areas	1.25	2.50	1.25			
Indiana AAP		0.20	3.00	0.40	1.50	
Jefferson PG		0.40	3.00	2.00	1.00	3.60
Kapalama	0.40	2.10	0.08			
Lexington	0.50	2.00	1.00	1.00	5.30	0.20
New Orleans MOT	0.10	0.02			0.35	0.03
Nike Aberdeen	0.05	0.40	0.50	1.00	0.05	
Nike KC 30	0.40		0.55	1.00	0.05	
Pontiac Storage	0.50	0.10	0.20	1.10	0.10	
Presidio of SF	2.45	2.10	5.00	0.95		
Pueblo	0.50	4.60	3.00	1.00	0.60	0.30
Tacony Warehouse	0.15	0.10	0.62	0.13		
Umatilla	0.50	2.50	4.70	1.00	1.00	0.30
TOTAL	16.55	23.97	99.10	61.70	28.38	5.58

The costs shown are the best estimates available. Enhanced preliminary assessments are being accomplished at some installations and the rest will begin in FY 1990. FY 1990 and FY 1991 funds are necessary for remedial investigations and feasibility studies. A small amount of remedial design and a minimal amount of remedial action at some of the stand-alone housing sites and other small installations are in the FY 1990 and FY 1991 estimates. The majority of the remedial action will occur in FY 1992 and beyond. The estimates do not include any management, salaries, or travel costs of the US Army Toxic and Hazardous Materials Agency, the Army's restoration agent.

TABLE 6

IMPLEMENTATION SCHEDULE

PROPOSED FORCE STRUCTURE AND BASE REALIGNMENTS

29 JANUARY 1990 (ROUND 2)

Action	*Fiscal Year
Reduce Active Army 135,000 **	90-94
Reduce Reserve Components	90-94
Inactivate 2d Armored Division	90-91
Downsize 194th Armored Brigade	90
Downsize 9th Infantry Division (Mtz)	90-92
Relocate 7th Infantry Division and close Fort Ord	92-93
Layaway Mississippi AAP	90-91
Layaway Indiana AAP	93
Cease workload at and lease Kansas AAP	93
Layaway Louisiana AAP or Scranton AAP	93
Layaway Sunflower AAP	94
Layaway Longhorn AAP	94
Terminate tank production at Detroit ATP	91
Terminate tank production at Lima ATP	93
Realign supply function at Red River AD	90-93
Close Fort McClellan	93
Warmbase Fort Gillem	92
Inactivate HQ, 4th Army	92
Close Sacramento AD	92-93
Eliminate Troop Support Command	92-93
Convert Health Services Command	92-93
Inactivate 1st Region, CIDC	90
Reorganize AMC Headquarters	91-95
Reorganize DESCOM Headquarters	91-95
Streamline AMC Management Engineering Activity	91-95
Streamline Information Systems Command	91-95

* Subject to proposals being approved following completion of required analyses and notification to Congress under 10 U.S.C. 2687, if appropriate.

** Partially satisfied by the actions below.

TABLE 7

ROUND 2

ENVIRONMENTAL DOCUMENTATION MILESTONES*

Environmental Impact Statement	Completion Date
Close Sacramento Army Depot	2Q FY 92
Close Fort Ord and Realign 7th Inf Div	2Q FY 92
Close Fort McClellan	2Q FY 92

Environmental Assessment	Completion Date
Downsize 9th Infantry Division	3Q FY 90
Inactivate 2d Armored Division	3Q FY 90
Warmbase Fort Gillem	2Q FY 91
Downsize 194th Armored Brigade	3Q FY 90
Realign Supply Function at Red River Army Depot	3Q FY 90
Layaway Mississippi AAP	3Q FY 90
Eliminate Troop Support Command	3Q FY 90
Layaway Indiana AAP	4Q FY 92
Layaway Kansas AAP	4Q FY 92
Layaway Louisiana or Scranton AAP	4Q FY 92
Layaway Sunflower AAP	4Q FY 93
Layaway Longhorn AAP	4Q FY 93
AMR/DMR Actions	As Required

* Environmental documentation milestones for all other proposed Army actions are under development.

STATEMENT OF JAMES F. BOATRIGHT

It is indeed a pleasure for the Air Force to discuss base closures with you today. Over the past year, we have validated implementation requirements for the SECDEF's Base Realignment and Closure Commission recommendations and developed the gameplan which will allow closure by 1995. As you recall, the Commission recommended the closure of five Air Force bases--Pease AFB, New Hampshire, Mather AFB, California, Chanute AFB, Illinois, George AFB, California, and Norton AFB, California. As you can see from Table I, we are well into implementation on these bases and we expect closure of our first base--Pease--in the second quarter of fiscal year 1991.

CLOSURE SCHEDULE

	First Unit Moves	Closure Dates
Pease AFB, NH	Feb 1990	Mar 1991
George AFB, CA	Jan 1990	Dec 1992
Mather AFB, CA	Mar 1990	Sep 1993
Chanute AFB, IL	Mar 1990	Sep 1993
Norton AFB, CA	Mar 1990	Jun 1994

Table I. Closure schedule for Base Realignment and Closure Commission Bases

The Commission's recommendations for the five Air Force bases led to the large scale realignment of forces to 23 different bases. This occurred because force structure was not reduced in consort with the closures. Excess basing capacity allowed the Air Force to absorb the additional requirements and close the five installations. While excess capacity did exist for expansion at the realignment locations, facilities were required to beddown the incoming forces. As Table II illustrates, this led to a large MILCON bill. The current estimate for the MILCON program associated with the recommendations of the Commission is $1.05 billion including planning and design.

The Air Force closure program was phased to provide closure of the original five bases at the earliest opportunity while minimizing the impact on mission accomplishment. This allows the Department of Defense to take advantage of savings and revenues provided by reductions to Air Force end strength, base operating support costs, and anticipated proceeds from disposal of real property at the closure bases.

MILITARY CONSTRUCTION
($ in Millions)

Pease AFB, New Hampshire	7.4
George AFB, California	177.0
Mather AFB, California	172.4
Chanute AFB, Illinois	202.9
Norton AFB, California	418.1*
Planning and Design	72.6
Total	1,050.4

* The MILCON cost projections for Norton AFB will be significantly reduced by the subsequent decision to inactivate the C-141 unit rather than relocating it to March AFB. (See discussion at pages 7-8 of this statement)

Table II. Military Construction for Base Realignment and Closure Commission Bases

While $1.07 billion is required up front to close the Air Force bases, the General Accounting Office has confirmed the Base Realignment and Closure Commission's analysis that the bases will all pay back within six years of closure. Table III highlights the point that by the time we close the last base--Norton--in 1994, we expect all implementation costs for the five bases to be paid back. Additionally, we expect annual savings of approximately $410 million to begin in 1995.

COSTS and SAVINGS FY 90 - 95
($ in Millions)

	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
Costs	206	426	425	315	45	9
Savings*	18	62	164	569	819	996
Net	188	364	261	-255	-774	-987
Cumulative	188	552	813	558	-216	-1,203

* Includes anticipated proceeds from sale of real property

Table III. FY 90-95 Costs and Savings for Base Realignment

Implementation funding for fiscal year 1990 consists primarily of initiation of military construction projects designed to accommodate the movement of units into gaining locations. In compliance with the National Environmental Policy Act (NEPA), we will prepare disposal/reuse Environmental Impact Statements (EIS) with FY 90 funds. These EISs will be based on community reuse plans and should be completed in 1991. Additionally, there are a number of small unit moves. As we progress into fiscal year 1991, funding continues for military construction at the gaining locations. As construction projects at some locations become ready to receive incoming forces, large units begin to move. One base--Pease--relocates all personnel and force structure and closes in the second quarter of fiscal year 1991. Table IV. provides a funding breakout by base for fiscal years 1990 and 1991.

IMPLEMENTATION REQUIREMENTS
($ in Millions)

	FY 1990	FY 1991
Pease AFB	9.0	26.2
George AFB	56.5	113.3
Mather AFB	0	41.7
Chanute AFB	31.2	124.9
Norton AFB	96.9	96.9
Program Management*	12.0	22.9
Total	205.6	425.9

*Includes all MILCON planning and Design.

Table IV. FY 1990 and FY 1991 implementation requirements for Base Realignment and Closure Commission Bases

A primary concern during the implementation and disposal process is full compliance with the National Environmental Policy Act. Closure and realignment Environmental Impact Statements (EIS) are nearing completion at our five closure locations and EISs/Environmental Assessments are complete or underway at 23 realignment locations. Additionally, the hazardous waste cleanup process is ongoing. We have made a commitment to work closely with the communities as we identify our environmental areas of concern and property disposal plans. The Air Force objective is to develop a well balanced plan that maximizes the financial return to the Department of Defense, satisfies the community desires, and meets other Federal requirements such as the McKinney Act and the Bureau of Prisons. Milestones for Community reuse planning and Air Force EIS and Disposal Plans are portrayed on Table V.

NEPA and REUSE PLANNING MILESTONES

	Community Reuse Plan Complete	Reuse EIS Complete	USAF Disposal Plan Complete
Pease AFB	Sep 90	Jun 91	Jun 91
George AFB	Sep 90	Sep 91	Jun 91
Mather AFB	Sep 90	Sep 91	Sep 91
Chanute AFB	Sep 90	Sep 91	Jun 91
Norton AFB	Sep 90	Sep 91	Sep 91

Table V. NEPA and reuse planning milestones for Base Realignment and Closure Commission Bases

Turning now to current Air Force cost saving proposals, we will be evaluating the closure of four additional U.S. bases this year and will withdraw forces from 11 overseas bases. We have initiated the preparation of Environmental Impact Statements at the four bases being studied for closure. I will start by highlighting those actions which affect the Base Realignment and Closure Commission's recommendations.

The Air Force is undertaking an effort to streamline, modernize, and reduce training programs within the fighter and forward air control mission areas. Specifically, a decrease in the number of Forward Air Control (FAC) assets required, coupled with the modernization of the FAC force has affected one of the Base Realignment and Closure Commission recommendations regarding the closure of George AFB, California.

The Commission recommended realignment of 24 OV-10s and the personnel of the 27th Tactical Air Support Squadron (TASS) from George AFB to Davis-Monthan AFB, Arizona. Forward Air Control training is a primary mission at Davis-Monthan AFB which led to its logical selection for realignment of the unit. Additionally, in a domino effect, it was recommended that the 9 EC-130s of the 41st Electronic Combat Squadron relocate from Davis-Monthan to Bergstrom AFB, Texas. The Commission recommended this realignment primarily to make room for the incoming 27th TASS. Due to Forward Air Control force reduction and modernization, the Air Force has decided to retire the 27th TASS in place at George AFB rather than move it to Davis-Monthan AFB. By not moving the unit, we will avoid spending $1.6 million in military construction required to support the unit at the new location and some relocation costs. Retiring the OV-10s negates the requirement to realign the 41st ECS to Bergstrom AFB which could save $9.7 million in military construction and $8.5 million in relocation costs.

Bergstrom AFB, Texas, is one of the bases we are currently evaluating for closure. A decision to study Bergstrom for closure is based upon a reduction within the Soviet military threat environment which has reduced requirements for in-theater reconnaissance forces. A corresponding reduction in training requirements could enable the retirement of some RF-4C aircraft at Bergstrom AFB, creating excess capacity at the base. If the decision is made to recommend Bergstrom for closure, any remaining RF-4Cs could be relocated to installations with sufficient capacity to absorb the incoming force structure. Additionally, the closure of Bergstrom could provide a less costly alternative to the local community's plan to construct a $750 million commercial airport outside Austin, TX. Over the next year, we will address closure and relocation options along with the strategic, operational, budget, fiscal, environmental and local economic consequences related to the closure of Bergstrom.

Closure of Norton AFB, California, has been affected by changing airlift requirements, coupled with airlift force modernization by the C-17 aircraft. The Commission recommended the closure of Norton and the realignment of 36 C-141s to March AFB, California, a Strategic Air Command base. Relocating over 8,000 people associated with Military Airlift Command and other tenants from Norton to March requires military construction that represents approximately one third of the total construction costs for all five bases--more than $340 million. The Air Force has decided to inactivate the active duty C-141 unit at Norton. This will avoid a major portion of the construction costs. Additionally, this action allows us to inactivate some of the oldest C-141 airframes, reducing the need for extensive maintenance. The Air Force is studying options to retain the trained Reserve airlift force from Norton and maintain the strong recruiting base for the Air Force Reserve in the Los Angeles area. One possibility would be to transfer the 445th Military Airlift Wing from Norton to March, as provided in the Commission's report, but with organic aircraft rather than in associate status. With this option, the 303rd Tactical Airlift Squadron at March AFB, presently operating eight C-130B aircraft, could deactivate. The estimated military construction to support this option is currently being determined.

Turning now to additional base closure actions that do not affect the recommendations of the Base Realignment and Closure Commission, I would like to discuss Eaker AFB, Arkansas; Myrtle Beach AFB, South Carolina; and Los Angeles AFB, California.

As the B-1 aircraft achieved operational status in the strategic nuclear role, we have and will continue to reduce numbers of aging and costly to maintain B-52s. Fourteen B-52G aircraft could be retired from Eaker AFB, Arkansas, without degrading the ability of the Air Force to meet strategic objectives. This reduction creates excess capacity at Eaker AFB and presents the opportunity to evaluate the base for closure. As with Bergstrom, over the next year we will address relocation options for the 14 remaining KC-135 tanker aircraft assigned to Eaker. For your information, preliminary analysis indicates there will be no construction required to support this closure.

Evaluation of the closure of Myrtle Beach AFB, South Carolina, is a function of reductions within the Soviet military threat environment and force modernization actions within our own tactical forces. As tactical forces are streamlined to match the Soviet threat, the versatile and modern F-16 is evolving as the Close Air Support aircraft of the future. This has reduced requirements for A-10 close air support assets. These reductions enabled either the retirement of A-10s assigned to Myrtle Beach or their use to modernize our Forward Air Control force. As you know, Myrtle Beach AFB is one of 11 Air Force civilian joint use airfields. We recently agreed with community requests to increase daily operations based on their expanded requirements. If the decision is made to recommend Myrtle Beach AFB for closure, this will allow the local community to transition the aerodrome to a full general aviation or commercial airport operation. Like Eaker AFB, there should not be any military construction costs associated with the closure of Myrtle Beach AFB.

The final base to be evaluated for closure within the U.S. is Los Angeles AFB, California. For many years now the Air Force has been concerned about the financial hardships imposed on Air Force personnel assigned to Los angeles AFB because of the very high cost of living in the Los Angeles area. Relocation of assigned activities to other Air Force installations could solve this problem and make some very valuable property available for commercial development. This proposal could be feasible only if special legislation were passed to permit the sale or exchange of base real property to offset the cost of construction at receiving location(s). The final determination on the economic feasibility of this proposal must await completion of the studies currently underway. Assuming prompt action and the passage of the special legislation, our preliminary studies indicate that we could begin implementation in 1993 and have the base closed in 1994.

The Secretary of the Air Force provided the figures shown on Table VI when testifying before the House Armed Services Committee on the 8th of February. The Table shows that the initial estimated savings for the four U.S. bases and 11 overseas bases are $2 billion with annual savings of $560 million after 1995. This represents 93% of the total annual savings provided by all DOD closures recommended by the SECDEF's Commission.

AIR FORCE EFFICIENCIES
Total Costs and Savings
($ in Millions)

	Costs		Total Costs	Savings*	Annual Savings
	1990	1991	1990-1995	1990-1995	After 95
Base Closure I	206	426	1,400	-2,600	-410
DMR	0	93	450	-11,400	-2,700
Base Closure II	11	111	550	-2,000	-560
Total**	217	619	2,260	-15,600	-3,500

* Includes one time and recurring savings and, for Base Closure I, projected receipts from sale of real property.
** Adjustment to avoid double counting.

Table VI. FY 90-95 Costs and Savings

I would now like to briefly summarize our overseas cost saving proposals. Withdrawals of force structure and personnel from overseas are again driven by reductions in the Soviet threat which allow us to reduce our forward deployment posture. We have taken several streamlining initiatives aimed at increasing our efficiency and thereby reducing operating costs. In some cases, the action involves retirement of force structure while at other bases, the force structure is relocated to achieve consolidation efficiencies.

Those bases where forces will be retired or inactivated include: Taegu AB, Korea, 18 RF-4C aircraft will retire; Zweibrucken AB, Germany, disposition of RF-4C aircraft is contingent upon the Conventional Forces Europe agreement; and RAF Wethersfield, UK, a Civil Engineering RED HORSE squadron will be inactivated. Bases with forces being realigned include: RAF Fairford, UK, 13 rotational KC-135 tankers will realign to RAF Mildenhall, UK; Suwon AB, Korea, 12 OA-10s will move to Osan AB, Korea; and Hellenikon AB, Greece, two rotational RC-135s will be relocated. Finally, overseas bases where U.S. presence will either diminish or be completely withdrawn include: Kwang-Ju AB, Korea, reverts to a Collocated Operating Base; Comiso AB, Italy, and RAF Greenham Common, UK, complete withdrawal as part of the Intermediate Nuclear Forces Treaty; and complete withdrawal of Air Force operations at Munitions Support Sites located at Eskisehir and Erhac AB, Turkey.

In conclusion, I have outlined those cost savings initiatives the Air Force is evaluating related to the closure of bases within the United States and I have discussed the withdrawal of forces from overseas locations. The Air Force has carefully examined the large changes in our force structure and has made corresponding adjustments to the basing structure that provides support. By adjusting the base structure to align with the force structure it supports, the Air Force can achieve highly efficient and fiscally sound operations while continuing to ensure that national security strategy objectives are met.

As you can see, the Air Force is aggressively implementing the closure of Pease, Mather, Chanute, George, and Norton. Additionally, this year we will evaluate the consequences of closing Myrtle Beach, Eaker, Bergstrom, and Los Angeles. While Title 10 USC 2687 requires that we provide a decision to you with the submission of the FY 1992 budget, we have always worked closely with you and kept you informed of our future plans. We will continue this process as we examine ways to reduce the current size of the Air Force while maintaining a well trained and equipped force ready for combat whenever and wherever required.

STATEMENT OF REAR ADM. J.E. BUFFINGTON

Mr. Chairman, I am Rear Admiral Jack E. Buffington, Director, Shore Activities Division, Office of the Deputy Chief of Naval Operations, Logistics. I appreciate the opportunity to represent the Secretary of the Navy and the Chief of Naval Operations in reviewing the Navy's Base Closure initiatives. Our initiatives include implementation of the Base Realignment and Closure Commission's recommendations of December 1988, ongoing studies based on potential force level reductions and Secretary Cheney's announcement in Jan 1990. Closure actions required as a result of the Base Realignment and Closure Commission are straight forward. Final decisions on the seventeen (17) candidate Naval bases for closure or realignment mentioned in the Secretary's announcement, and any other final actions based on potential force level reductions depend upon the outcome of the ongoing studies.

Today, I would like to provide a brief overview of the relationship of the Navy's past and present force structure and the shore establishment, an update on the implementation status of the Base Realignment and Closure Commission's recommendations, a review of where we stand in regard to Secretray Cheney's announcement of the Navy candidate closures or realignments, as well as other potential actions based on force structure adjustments.

Overview

Clearly, the size of the Navy's shore establishment is dependent upon the size of the fleet. Throughout the years as the size of the fleet has increased or reduced, so have the shore facilities. During the Vietnam era we reached a peak in 1968 of 976 ships dispersed at 65 homeports. Conversely, as the fleet decreased in size to a low of 479 ships in the late 1970's, the number of homeports was reduced to 34. It was subsequently recognized that our fleet was not adequate to meet our mission and, in the early 1980's, we proceeded with a program to increase the size of our fleet to approximately 600 ships, and to increase the number of our homeports to 44. Then came the Base Closure Commissions recommendations not to open new homeports that were under construction at Naval Station, Lake Charles, Louisiana; Naval Station, Galveston, Texas; and not to proceed with homeporting at Hunters Point, California. This reduced the proposed number to 41.

Responding to a possible force reduction and budgetary realities, Secretary Cheney recently announced seventeen (17) additional Navy candidates for closure or realignment. As indicated in the announcement, Navy proposed these bases to the Secretary as candidates for consideration for closure or realignments. The shore activities announced for study by Secretary Cheney were nominated based on preliminary assessments, with a number of the bases being identified for study only if the Navy were to undergo significant force structure reductions beyond those cited in the Secretary's proposed budget.

The difficult question we have to answer is, "If we are to maintain our forward naval presence and maritime superiority, to what extent can we afford to make force reductions, and hence base reductions, in view of the changing global situation?" The answer to that question may not be as readily available as it is to our sister services. It can be argued that as we bring more troops home and have less access to overseas bases we will rely more than ever on our ability to operate in international waters, free of base rights issues, overflight issues and other restrictions on independent movement or action. I can assure you, however, that we are seriously studying our force structure requirements with a goal toward achieving maximum efficiency and effectiveness while maintaining our forward presence and maritime superiority. When these force structure reductions are determined, final decisions with regard to the candidate closures or realignments will be made, as well as decisions with regard to the remainder of our shore establishment.

Base Realignment Closure Commission Recommendations

The Navy is proceeding very well with implementation of the Base Realignment and Closure Commission recommendations. The majority of the recommendations relate to the Navy's Strategic Homeporting Program. Three Strategic Homeports currently under construction were designated to receive functions to be relocated from activities scheduled for closure or realignment. These actions include decisions not to complete Naval Station Lake Charles, Louisiana and Naval Station Galveston, Texas and relocate the functions to Naval Station Ingleside, Texas; to close Naval Station Brooklyn, New York and relocate functions to Naval Station Staten Island, New York and to realign Naval Station Puget Sound, Washington and relocate some functions to Naval Station Everett, Washington.

Of the $500 Million appropriated for the Department of Defense Base Closure account in FY 1990, $15.6 Million is allocated for MILCON at Staten Island, $19.2 Million for Everett and $28.4 Million for Ingleside. Because we have ongoing architect/engineer and construction contracts at these homeports, we have been able to expedite facility relocation efforts. These projects are all in final stages of design with awards scheduled for this summer. The $916.5 Million FY 1991 request for the Department of Defense Base Closure account includes $23.6 Million for Staten Island, $13.7 Million for Everett and $.9 Million for Ingleside. In addition, the FY 1991 request includes $59.5 Million for the initial construction at Naval Station, Pearl Harbor, Hawaii, resulting from the Commission's recommendation not to execute the Strategic Homeporting Program at Hunters Point, California and to relocate a Battleship and two cruisers to Pearl Harbor. Design of the FY 1991 projects is underway with construction awards expected early in the fiscal year.

In addition to the $161 Million in projects previously cited, we have approximately another $140 Million in MILCON requirements that we plan to execute in fiscal years 1992 through 1994. We have already started design on $50 Million of these requirements and will be ready to award additional design contracts as funds become available.

We forsee no major problems in carrying out construction or relocation actions necessary to meet required realignment/closure deadlines. We expect to begin realizing net cost savings from closure/realignment actions beginning in FY 1993. If expected revenues from land sales are obtained, total revenues and savings will exceed our implementation costs in FY 1995. Disposal of excess real estate assets resulting from realignment is, however, dependent on completion of National Environmental Policy Act (NEPA) documentation and required environmental clean-up, which is not yet clearly defined, and for which funding is not provided in the Base Closure Account. In addition, our estimated revenues from disposal of real estate could be significantly reduced if there are no-cost transfers to other Government Agencies rather than sales at fair market value.

Future Closures From Force Structure Reductions

I strongly support Secretary Cheney's initiative to expedite the Base Closure process to enable closures to be affected quickly and savings to be realized promptly, consistent with force structure adjustments. Base Closures and Realignments are an inevitable and necessary response to reductions in operating forces and initiatives to achieve efficiencies in our shore infrastructure in a time of increasingly limited resources. However, as I previously mentioned, the optimum force structure and the required support facilities are not easily defined in our rapidly changing world. For these reasons, the Navy is currently dedicating a considerable effort to defining a proper force structure/support facilities mix.

We have recently commenced an in-depth review of our shore infrastructure to determine which bases should be closed or realigned, in order to achieve maximum efficiencies without adversely affecting strategic and operational requirements. While this study will certainly focus on those bases already identified as candidates for closure or realignment, the Navy's entire shore establishment, including Strategic Homeports, will be included in the study effort. Not until after force structure is set and all these studies are completed, including all environmental studies required by law, will final decisions be made. Although our internal review, which will focus primarily on budgetary, strategic, and operational considerations, should be completed by the end of the summer, required environmental studies are expected to take much longer, unless the existing Base Closure Law is amended as proposed by Secretary Cheney. Consequently, we strongly recommend your support of this legislation.

Conclusion

Mr. Chairman, as I have indicated, we strongly support Secretary Cheney's initiatives on base closures and realignments. As we have done in the past when required by changing global situations, we intend to continue to make appropriate adjustments to our force structure and shore establishment. We have taken immediate action in implementing the Base Closure Commission's recommendations affecting the Navy. The funds designated for the Navy in the FY 1991 Base Closure Account request are essential if timely and cost effective implementation of these recommendations are to be realized. Finally, maximum efforts are underway to get us to the point where additional decisions on Navy shore establishment adjustments can be made once the force structure is set. We will advise you as soon as these decisions are made. Thank you again Mr. Chairman for this opportunity to address your subcommittee.

OPENING STATEMENT OF SENATOR GRASSLEY

Senator SASSER. Thank you, Mr. Secretary.

We have been joined here by our distinguished ranking member, Senator Grassley.

Senator Grassley, we were advised to go ahead. But we would be pleased to hear from you any opening statement or comment that you might wish to make at this time.

Senator GRASSLEY. Thank you, Mr. Chairman.

All I am going to do is to put my opening statement in the record. But I will stay for questions.

I appreciate the kind attendance of all of our witnesses. Thank you.

[The statement follows:]

STATEMENT OF SENATOR CHARLES E. GRASSLEY

I am pleased to be here today for the continuation of hearings on the proposed fiscal year 1991 budget for military construction.

As the chairman has noted, today we will receive testimony with regard to the appropriation for the base closure account. This request continues the implementation of the recommendations of the Base Closure Commission.

We will also receive testimony on the requests for the defense agencies and on the NATO infrastructure account. I understand that our primary witness will speak for the various defense agencies, but statements will be placed in the record for them.

I want to welcome our witnesses today—Mr. David Berteau, representing the Office of the Secretary of Defense; Brigadier General Stofft from the Army; Rear Admiral Buffington, the Navy; and Mr. Boatright from the Air Force.

Also, Mr. David Wright, from the U.S. Mission to NATO, who will offer testimony on the infrastructure account.

Mr. Chairman, as we are all aware, the issue of base closures is clearly on the minds of many of our colleagues—and it appears it will continue that way for some time. The request before us is only for the implementation of the recommendations of the Base Closure Commission. But the Secretary of Defense has proposed another list of bases for closure and/or realignment, and in addition, there are many indications that still another list will be forthcoming.

And on that note, let me just say that I look forward to working with my distinguished chairman as we slowly move forward in this budget cycle. It appears it will be a most interesting year.

OPENING STATEMENT OF SENATOR REID

Senator **Sasser**. Thank you, Senator Grassley.

We have also been joined by Senator Reid.

Do you have an opening statement, Senator Reid?

Senator **Reid**. I do, Mr. Chairman. But as a reward for your starting on time, I am not going to read it but would ask that it just be entered into the record.

[The statement follows:]

Statement of Senator Harry Reid

Mr. Chairman, thank you for holding this hearing today on Defense Agencies, Base Closure, and NATO Infrastructure.

There are dramatic changes taking place in East-West relationships as we attempt to solidify the fiscal year 1991 military construction budget. I will be interested to hear just how the budgets presented here today are responding to changes in Eastern Europe and the austere budget climate. It is difficult to rationalize an fiscal year 1991 Milcon budget today when the treaty, resulting from the outcome of the Conventional Forces in Europe [CFE] negotiations, isn't expected until late this year. The changes seen in Milcon spending are largely driven by deficit reduction ceilings rather than from restructuring based on events happening in Eastern Europe. The basis of spending decisions should follow from structure changes, not drive them. I would expect military construction budgets to be especially scrutinized in an environment of base closures and realignments.

A case in point would be where savings from a base realignment cannot be realized without a significant amount of new spending. Such a case is being examined in Nevada at the Tonopah Research Site. Under the guise of base realignment, the 37th Tactical Fighter Wing is proposed for relocation to Holloman AFB in New Mexico. I have been told that such a move will save money. However, it will cost the taxpayer $115 million in Milcon to build new facilities. I have requested the Air Force to justify these savings with a cost breakdown. One would expect this to be a relatively easy request to fulfill since the supporting backup data for the already released cost savings figures would have to exist somewhere. Needless to say, I am still waiting for an explanation of the cost savings that would justify the move. In the meantime, my office is bombarded with constituent mail suggesting the move is political and a waste of taxpayer's money. The DOD January proposal to move the Stealth Wing, without the requisite supporting cost information, does not engender public confidence in the base realignment and closure process.

I support defense cuts that can be justified by savings and are in the national security interest. Therefore, I eagerly await the Air Force to complete their detailed cost analysis.

Another military construction budget area that should get special attention is overseas Milcon. Some of the Milcon budget items are the result of good long-range planning that may be difficult to reverse after they have been initiated.

The NATO Alliance has provided a common defense through a strategy of deterrence that has worked well for the past 41 years. Over the last few months there have been radical changes in Eastern Europe as members of the East's new leadership seek democratic reforms. This nation's spending on NATO infrastructure must be closely scrutinized in the face of NATO's changing role in a new Europe.

Mr. Chairman, this concludes my opening remarks.

DEFENSE AGENCIES' CONSTRUCTION OVERSEAS

Senator **Sasser**. Thank you very much.

Mr. Secretary, do any of your colleagues wish to make a statement this morning, or will their statements, submitted for the record, suffice?

Mr. Berteau. We consulted and we believe our statements for the record will suffice. In the interest of your time, we would just as soon go ahead with the questioning, sir.

Senator Sasser. Thank you for your testimony.

Now, more than $155 million is being requested in fiscal year 1991 for defense agencies' construction overseas. That amount is $66 million over the amount approved by Congress last year for defense agencies' construction.

This is a 74-percent increase at a time when I think we would all agree the world is changing and changing very rapidly.

Now, given what is happening in the world, how do we justify a 74-percent increase for construction overseas?

Mr. Berteau. First of all, sir, I would like to make three comments with respect to that.

First, when we put the defense agencies' Milcon requests together, it was done on an agency-by-agency basis. It isn't until you roll it all up that you get the numbers that you have there.

So we didn't start out with a presumption that says we're going to have *x* percent growth over the previous year. It's basically put together based upon the specific projects and the justification required for those projects. We have representatives of each agency here today in the audience to answer any specific questions on specific projects that you might have.

But, second, when you compare the fiscal year 1991 request with fiscal year 1990, you are comparing to a base that is somewhat restricted, because the fiscal year 1990 base was rather low as compared to some previous years.

Finally, I think, as you are well aware, under the terms of the Secretary's military construction freeze announced back in January of this year, we are reviewing all of the military construction projects, particularly with an eye toward what we might need in light of the future European situation and other overseas areas. I would expect that, at the time the freeze is lifted at the end of April, we would be making some recommendations to the Secretary based upon input provided by both the defense agencies and the military departments that might adjust some of the fiscal year 1991 request and certainly might adjust some of the out-years.

We would expect that if there were such an adjustment, we would come back to you and discuss those with you. In other words, the situation overseas has clearly changed. We put the budget together at the timeframe we were in. We had a deadline. We had to lock it up, we had to submit it, et cetera. We are now still in the middle of further review of that and if and when there are some changes necessary there, we would be expecting to come forward with those both with respect to 1991 and to future budgets.

Senator Sasser. Well, I am certainly sympathetic with meeting budget deadlines and realize that there can be changes coming. For example, another hat I wear is that of the chairman of the Senate Budget Committee. We are under great pressure to produce a budget, including numbers for the overall defense budget. We are very much in the posture of almost having to pull a number out of the air, to some extent, simply because we do not have time to do some of the indepth study and revisions that are made necessary by fast-changing world events.

But we are going to have to review the testimony submitted by each defense agency very closely before we will be convinced that a 74-percent increase for overseas projects is merited. And as you change your views on this, Mr. Secretary, if you do, I would ask you to get the revisions to the committee just as quickly as you possibly can.

BASE CLOSURES

Now, with regard to the base closure account, when the Congress approved the base closures, it was with the assurances that the Congress provided $500 million in fiscal year 1990.

I must say that when Congress approved the base closure package recommended by the Commission last year, so-called base closure I—and how many bases did you say were in that package?

Mr. **Berteau**. That's 86, sir.

Senator **Sasser**. Of that 86, how many were United States and how many were overseas?

Mr. **Berteau**. All of them were U.S. bases.

Senator **Sasser**. All 86 were U.S. bases in base closure I.

Now, your recommendations for base closure I were based on specific testimony by members of the Commission and officials from the Department of Defense and, among other things, we were told that all it would take to capitalize the base closure account would be $500 million in fiscal year 1990 and another $500 million in fiscal year 1991.

The committee was also told that after fiscal year 1991 savings would be sufficient to cover the out-year costs of base closure. This is talking still about base closure I.

It was with these assurances that the Congress provided $500 million in fiscal year 1990.

Now, I will have to say to you that it was quite a surprise to find that the request for fiscal year 1991 was not $500 million, as we were told at the outset, but $916 million—80 percent higher than the Department of Defense testified would be necessary at the outset.

Now, this brings up the question: what went wrong? Why is the request 83 percent higher in fiscal year 1991 for base closures in base closure I than DOD had originally told the committee it would amount to?

Mr. **Berteau**. There were two things that happened there in terms of our increase.

One is that, as we estimated at the front end what it was going to cost us, we were basing that estimate on the best information that we had at the time. As we went in and began to look at each specific installation, particularly with respect to the receiving installations, what would have to be done to prepare for the transferring functions, as well as with respect to the tenant organizations and functions. At many of our installations, there are 10, 15, or 20 or more tenant activities and tenant organizations there, many of which were not the specific focus of the Commission's examination at the time.

So, it became clearer to us both that the magnitude of the effort to shift from the closing base to the receiving base was somewhat different than what our original estimates were based on and, second, that the phasing would need to be somewhat different, particularly with respect to the amount of time that it takes to go through the environmental impact statements and get through to the other side to where you can actually begin planning that.

The original phasing that the Commission estimates were based on was predicated upon a much more rapid movement through that environmental impact statement [EIS] process than is proving to be the case.

So our recommendations now reflect, in large part, that the realization of proceeds from the sales is further down the road because we won't be able to sell the properties as quickly as we had anticipated. The savings are still there; they just don't come in fiscal years 1991 and 1992, when other budgetary things would make you wish they would occur.

It is a phasing issue, primarily. It is not a question of change overall in the dollars, but rather in when they occur.

Of course, that has a budgetary impact.

Senator **Sasser**. So what you are telling us is that slowdown in closing the bases has prohibited you from actually selling the property and that has had substantial impact on the dollars.

Mr. **Berteau**. Yes, sir; we have also seen that if we build faster at the receiving bases, we can move things faster as well and speed things up.

We are now actually projecting a larger amount of revenue up through the 1995 timeframe from the sale of land than we were originally projecting or that the Base Closure Commission projected.

So if we speed up the movement of people, and, therefore, you construct faster at the front end, that, coupled with the fact that the EIS slows down your sales—but we're still going to get them, and we expect actually we'll get a higher return or a higher amount of revenue from the sales than we had projected previously—overall you've got a better situation than we thought we'd be in. For fiscal year 1991, however, you have a situation where you have to spend more.

Senator **Sasser**. Do you anticipate that appropriations will be necessary to support base closure I after 1991?

Mr. **Berteau**. I think we probably estimate a little bit of a change in 1992 from 1991. I will have to look it up and get you that exact number. Beyond 1992, it appears to us, at the moment, that it will be more than self-financing.

Senator **Sasser**. Do you have a ballpark figure now for 1992?

Mr. **Berteau**. I have a ballpark figure, but it would take me a minute to find it. [Pause.]

I will just provide you that for the record. I don't have it in my head and it will take me too long to leaf through these pages.

[The information follows:]

The fiscal year 1992 estimate is $915.8 million after realizing $86.3 in land sale proceeds. The Department estimates it will also save $295.5 million from the military construction, Family Housing Operations, Operations and Maintenance, Military Personnel and Other Accounts during fiscal year 1992.

BASE CLOSURE COSTS AND SAVINGS

Senator SASSER. OK.

Now about total appropriations for fiscal years 1990 through 1995?

Mr. BERTEAU. I will have to get you that as well.

Senator SASSER. Would you submit that for the record?

Mr. BERTEAU. Yes, sir.

[The information follows:]

TABLE 2—TOTAL BASE CLOSURE PROGRAM COSTS AND SAVINGS

[In millions of dollars]

	Fiscal years—							Total
	1989	1990	1991	1992	1993	1994	1995	
Costs:								
Military construction	83.8	405.5	670.6	778.1	363.5			2,301.5
Family housing:								
Construction			38.5	2.6				41.1
Operations	2.5	.4	.4	.4	.1			3.8
Operation and maintenance	26.4	56.9	131.9	131.3	238.2	153.7	40.7	779.1
Military personnel		6.2	13.9	17.0	15.3	6.5		59.9
Other		11.0	50.2	61.7	23.1	16.7	9.9	172.6
Homeowners assistance program		20.0	11.0	11.0	14.0	−3.0	1.0	54.0
Total costs	112.7	500.0	916.5	1,002.1	654.2	173.9	51.6	3,411.0
Savings:								
Military construction	83.8	16.8	16.9	108.5	108.6	108.6	108.6	551.8
Family housing:								
Construction		12.6	16.9	8.5	9.7	11.3	3.5	62.5
Operations			15.0	22.1	23.5	63.6	69.2	193.4
Operation and maintenance		6.5	48.3	78.7	118.6	271.2	318.6	841.9
Military personnel		[1] −.5	25.4	77.0	191.8	305.7	310.8	910.2
Other		.5	.5	.7	.9	4.9	8.4	15.9
Civilian end strength			(374)	(381)	(2,886)	(5,588)	(6,110)	(6,110)
Military end strength			(2,549)	(2,745)	(7,480)	(8,982)	(9,259)	(9,259)
Totals savings	83.8	35.9	123.0	295.5	453.1	765.3	819.1	2,575.7
Revenues from land sales				86.3	335.8	506.7	1,411.7	2,340.5

[1] Represents increased military personnel costs.

ENVIRONMENTAL CLEANUP

Senator SASSER. Why don't I defer now to Senator Grassley.

Senator GRASSLEY. Thank you.

The recommendations of the Commission assumed that environmental cleanup would be accomplished through the defense environmental restoration account. So I want to ask, on that account and the cleanup, what are the estimated total costs to clean up those bases on the Commission's list and what it will take to make them ready for sale and/or transfer?

Mr. BERTEAU. I don't have an estimate of total costs at this time.

The estimate that I have for those that we do expect to sell between now and 1995—which is not all 86 of the installations on the list—is about $500 million for cleanup costs.

Of that, we would expect that about $165 million—and that's our estimate at the time—would be eligible under the defense environmental restoration account.

The rules we have for the defense environmental restoration account essentially are worst first—those things that are the greatest hazard, those things that are the greatest danger to the population, those things that are running the risk of spreading, essentially, and are on the Superfund national priority lists and so on, those would be the ones that get funded first. We feel it is important from a national environmental policy perspective that we retain that approach to spending the defense environmental restoration account funds.

The remaining $350 million we expect will be funded by the service O&M accounts, and those would be budgeted for and taken care of in a timely way to proceed with the sale.

There are some installations which, even with unlimited cost or money, we would not have the technology to be able to do something with right now.

For example, the unexploded ordnance on a training range, such as a proving ground, we do not have the technology existing at this time, that would allow us to guarantee unrestricted use of that land. You would never be able to guarantee that somewhere out there, there is not an unexploded shell so that your kids or my kids running around there wouldn't stumble across it.

The technology does not exist at any cost to do something like that.

But we expect that we may be able to find a restricted use for this land that, in fact, would allow it to have some benefit to us as well.

Senator GRASSLEY. Is this funding that you talk about, the $150 million and the $350 million, included in the current out-year budgets of the Defense Department?

Mr. BERTEAU. Yes, sir; we will be taking a look at that with the service programs when they are submitted to OSD for their review this summer, for the 1992 to 1997 6-year defense program.

Senator GRASSLEY. In what accounts will those be found?

Will they be in the base closure account?

Mr. BERTEAU. No, sir; current plans do not call for them to be paid out of the base closure account. Those are funded out of the defense environmental restoration account, a separate account managed by OSD that funds projects across the Department in terms of environmental restoration. For example, our fiscal year 1991 request for that account is about $817 million. There are a whole host of projects associated with that, including, if memory serves me, three, four, or five installations that are actually on the base closure against which these funds will be applied.

The others are funded in the service O&M accounts. We have made a number of strides in the past year in terms of being able to highlight and identify those funds separately, both in terms of our current expenditures and in terms of our projected expenditures.

There is a very formal requirements process to determine what the requirements are and in what year we are going to phase them in. It is one of those things where, for environmental cleanup, you have to do your preliminary assessments and your site inspections and your investigations first, before you can pour money in to actually do the remedial action. You have to get not only a clear understanding of the nature of the problem and the solution, but you have to get all the governmental agencies involved—EPA, the relevant State and local jurisdictions—to agree that these are, in fact, the right steps in order to clean it up. Only when you have done those things can you then program the money usefully to spend to do that.

Senator **Grassley**. Can you legally seek funds for environmental cleanup through the base closure account?

I ask that because the Department is so determined and adamant about the Commission's recommendations being law.

Mr. **Berteau**. We have the authority to do that. We would be looking at that as a potential if it were necessary in subsequent years.

Senator **Grassley**. You mentioned the worst first policy. Does closure cleanup impact on that? How does it impact on that worst first?

Mr. **Berteau**. By and large, it does not.

If you look at an installation and you are assessing its eligibility or its requirement for cleanup under the relevant Superfund laws, for example, whether a base is open or closed does not have a substantial impact on how quickly it needs to be cleaned up with respect to that, because we are really looking at contamination that exists today.

By and large, as we have looked at it, the fact that a base is on the closure list does not speed up or slow down how it gets treated on the environmental restoration account.

With respect to some of the other kinds of moneys that you would spend, primarily those for compliance, to bring your operations into compliance with clean air, clean water, hazardous waste, toxic waste, and that sort of thing, you are actually better off, obviously, with a closed base because you are going to be polluting less, you are going to be operating less, et cetera.

Senator **Grassley**. Has there been any report or bill language from the Congress which concerns itself with closure, environmental cleanup and use of the DERA account?

Mr. **Berteau**. There may be, but I am not aware of any specific problem in that regard at the moment.

Senator **Grassley**. If the Secretary's newest base closure package were approved totally, what would be the estimated environmental cleanup costs for that package?

Mr. **Berteau**. We are in the process of doing those assessments right now.

At the time the Secretary announced the candidates for closure, we began looking at all 35 installations from an environmental perspective, as well as from the five other areas that are laid out in the law that we look at—the strategic, the operational, the fiscal, the budgetary, and the local economic impacts.

Those environmental impacts are beginning to be wrestled with within the services, and we expect to see regular status reports. Many of those I expect will be ready before the end of the fiscal year, or certainly before the end of the calendar year, before we submit our fiscal year 1992 budget.

On the basis of those assessments, we will then have a clearer idea, which will let the Secretary be in a position where he can make a decision whether or not to go forward with those candidates.

But we do not have that right now. That is being looked at for each one of the 35 bases.

Senator **Grassley**. Do you know of any bases not on that list just because environmental cleanup might be too expensive?

Mr. **Berteau**. No, sir; I don't think so.

One of my other corollary responsibilities is responsibility for the environmental cleanup and the environmental restoration account.

It certainly is my view that what we have is a situation where putting it on the closure list is not going to cost you more and, in fact, it may cost you less. You know, you have a situation, for example, with a shipyard where, under the Clean Air Act amendments that are currently being negotiated in the Senate, for example, we may have an enormous military construction budget requirement in order to bring that shipyard into compliance. That would be a factor we would look at, and if other shipyards could be brought into compliance less expensively—and I am just postulating a hypothetical example—and if the workload did not require you to keep that same number of shipyards, then that would be a mitigating factor that might lead you to think about closure of one over another.

But those are all things—and I am speculating right now—things that we are looking at in terms of assessing the costs and benefits.

OVERSEAS BASES CLEANUP

Senator **Grassley**. What is our responsibility on environmental cleanup at overseas bases?

Mr. **Berteau**. Our basic policy says that we will conform to whatever the local laws are, the laws of the host country; we will conform to whatever the existing international multilateral or bilateral agreements would be; and, to the extent possible within those first two, we will conform to our own national standards.

As we look, for example, at leaving a base overseas, we have an immediate responsibility before we walk away to take care of any problem which poses a threat to life or safety. But, under the terms that we negotiated to occupy and have forces at most of those installations, the remaining cleanup is really an element of negotiations between us and the host nation.

For example, the most common outcome would be that we would be receiving a residual value for turning over an installation back to the host country. There would be some cleanup costs identified and assessed and laid out, and those would be perhaps an offset to the residual value.

In many cases, of course, we have the problems of where, back in 1947, 1950, 1952 or whenever we moved in, we did not do a good environmental assessment of this is the status of the base when we inherited it, and many of those have been dual use or triple use since then, with not only our forces and the host nation's forces, but even a third country's forces. An example here would be in NATO, for instance. What we need to do as part of the negotiations process with the host country is to determine what is the extent of the cleanup requirement. In many cases they are going to continue operating the base. For example, you can take a training range and clean it up, or may not, if somebody is going to keep firing shells into it.

We will reach an agreement with the nation as to what our responsibilities are, what their responsibilities are, and how the funding of those would be arranged.

REDUCTION IN FORCE LEVELS

Senator **GRASSLEY**. I want to refer to one of the statements you made: "While these costs may seem high, we must remember that we are not reducing our force levels with this first round of closures. Instead, we are consolidating our operations."

This statement is probably going to be a contradiction because we are going to have some force level reductions.

Mr. **BERTEAU**. Yes, sir.

Senator **GRASSLEY**. Has there been a detailed review of the impact of the recommendations of the Commission on the Secretary's lists?

What about future lists?

Mr. **BERTEAU**. Yes, sir; there has been. In a couple of cases, we actually now are looking at force structure changes, which would affect some of the forces that were proposed for realignment or closure and decided on in the Base Closure Commission.

For example, the 4th Army Headquarters moving from Fort Sheridan, IL, down to Fort Benjamin Harrison, IN, under the Army's current proposal, that headquarters goes away. It ceases to exist.

So you have a situation where the Commission's recommendations were built upon the assumption that the force structure would remain the same. But events in the world have since gone to the point where we no longer believe that to be necessary, and I think there is a broad national consensus on that. The issue is what the details are as to what the force structure comes down to and where.

So you clearly not only have some currently visible impact there, not so much with respect to just the round two set of proposals from the Secretary, but with the broader force structure reductions overall. I think it is easy to speculate that you'd continue to see some of those in subsequent years. I don't think, when we get to the end of 1991, that that is going to be all the force structure changes we are going to make.

Senator **GRASSLEY**. Along that same line, how can we be certain that new facilities being requested through the Commission's package are really needed in light of today's changes taking place?

For example, the Army will move functions from its Watertown, MA, lab to three other locations under the Commission's plan.

However, I understand that a massive study review is underway with regard to all laboratory functions, and is called Lab 2000.

I would like to have an answer to the question or a general comment.

Mr. **Berteau**. With respect to that specific one, in fact we would anticipate that we would have a parallel track, with the results of the lab study which is underway, which was mandated by the Defense Management Report and the followup actions there and with respect to the military construction activities at the receiving bases.

We would put those in concert with one another.

We would do that in the same way, for example, again, going back to the point I made about the 4th Army Headquarters. There was actually a military construction project. It is in the $917 million of the base closure account. The Army is not going to go with that one now. So we are not going to construct the receiving headquarters for the 4th Army at Fort Benjamin Harrison. That will be withdrawn from that request.

We have a second massive study, if you will, underway right now. Each of the military departments is reviewing their complete construction project proposals, both with respect to the 1990 projects authorized and appropriated by the Congress, the 1991 projects proposed to the Congress, and the out-year projects, with exactly the kinds of questions you are raising here, as well as a host of others. How does this all fit together, based upon what we now know and what we expect is going to happen?

I think there will be some changes, although I would not speculate as to what the specifics of those changes would be.

Senator **Grassley**. What you just described, doesn't that go against the Commission's recommendations and, thus, open up the issue for further overall review, especially when you consider how Members of Congress are impacted by it?

Mr. **Berteau**. The potential for that is of concern, obviously.

We have always taken the position and it has been the position that many in Congress agreed with and supported that closed is closed; the Commission's recommendations are an all-or-none package; and, therefore, you have to go forward.

On the other hand, as we look at future years and having to take force structure down, if we allow ourselves to be bound by any force structure that was touched upon or mentioned and the Base Closure Commission's report is somehow sacred and now you cannot touch that force structure, you can only touch the rest of the force structure, clearly that is going to lead us to the potential for a significantly unbalanced force.

So we have to leave open the option where it makes sense to take the force structure down for other reasons, that, in fact, the Commission said you will move the 4th Army from here to there. It didn't say you have to keep the 4th Army in perpetuity for the rest of the life of the Nation.

We have to recognize that reality.

Senator **Grassley**. My last point deals with something very close to my home State of Iowa.

DES MOINES ARMY RESERVE CENTER

It has recently come to my attention that the Army reserve center in Des Moines, IA, will be more severely impacted by the sale of Fort Des Moines than originally thought. The impact is that there are some functions now taking place on Fort Des Moines that have not been taken into consideration for replacement.

In other words, the Commission didn't become aware of the fact that those buildings were being used.

Mr. **Berteau**. Right.

Senator **Grassley**. So I merely ask that the Army work with my staff to get the situation corrected, and I hope I can count on your support.

Mr. **Berteau**. I think I will ask General Stofft if he wants specifically to comment on that. But that is exactly the kind of point I was making earlier, that one of the reasons the amount went up is exactly those kinds of circumstances—where until you go to the base and look, you don't see all the little support functions that other people are benefitting from there that you now need to take account of.

We certainly will try to work toward the best outcome possible there.

General Stofft: I will be glad to work with your staff on that, Senator.

Senator **Grassley**. Thank you.

Thank you, Mr. Chairman.

Senator **Sasser**. Thank you, Senator Grassley.

Senator Reid.

Senator **Reid**. Thank you, Mr. Chairman.

Mr. Secretary, you talked earlier about unexploded shells on military bases, and that presents a problem in opening up the bases or any part thereof to the public at a later time.

In Nevada, of course, we have a unique problem. We have unexploded ordnance on public lands.

Mr. **Berteau**. Yes, sir.

Senator **Reid**. The proposed base closure legislation streamlines the base closure process, avoiding some of the lengthy public consideration required by the National Environmental Policy Act.

There are many people, including many in Nevada, that are actively interested in environmental concerns and are participating in the base closing hearings required by NEPA.

Do you know if the proposed base closure legislation includes provisions for a dialog with the public that would answer the community's concerns, similar to the NEPA problems?

Mr. **Berteau**. Absolutely, sir.

What we would anticipate is complete and full compliance with the NEPA with respect to every assessment of the environmental impact of closing that base or of whatever associated realignments would be linked with that.

The only thing we are looking at in terms of the administration's proposal with the legislation is with respect to the upfront decision to close the base in the first place.

For example, if you are going to eliminate a wing and you are going to close the base that that wing operates out of, on the surface, it is fairly obvious that the environmental impact is going to be beneficial. You are not going to be flying where you used to be flying; you are not going to be polluting where you used to be polluting; you are not going to be destroying the environment where you used to be destroying the environment.

For purposes of decision to close the base, the environmental assessment alone will allow you to do that, but you have to go through that process.

We would anticipate that the waiver authority that we are requesting would, specifically, just make it easier to come to the decision to close the base but would not make it any easier and would not abdicate any of our responsibilities or any of the public's involvement with respect to how to accommodate and alleviate the impact, how to clean up the base that we are leaving, how to take care that if anything is moving from that base to somewhere else, that all the environmental impact of that, as well as the socioeconomic impact of that would be fully understood, accommodated, and mitigated.

STEALTH FIGHTER WING

Senator REID. One of the concerns that we in Nevada have is the proposed move of the Stealth fighter wing from Tonopah to either New Mexico or, we would hope, Nellis. Anyway, there is certainly consideration about it being moved.

At Tonopah, there is significant infrastructure, most of it very, very new. The Stealth was a secret airplane and the testing had to be done in secret. These facilities were built for the personnel that was associated with those Stealth fighters.

The question now arises as to if, in fact, there is a decision made to move the wing, what will be the status of the barracks and swimming pool, the bowling alley and all the other stuff that is there?

Assuming, hypothetically, that there is a decision made to move the wing, what happens to all of that?

Mr. BERTEAU. I will let the Air Force expand on this if they wish to, but our current expectation is that the facilities at Tonopah would essentially be put in standby status. We would anticipate some potential future operations there; but we would not expect to be permanently housing anyone there at this time.

The facilities, while they are, in fact, new and recent, they, of course, were not occupied on a full-time basis. You had people coming up there during the week primarily because of the secrecy of the mission and the way in which we operated it, and then those people were going back to their homes for the weekend.

Mr. Boatright may want to add something to that. But that is our current plan, to put it in standby status.

Mr. BOATRIGHT. I believe that covers the plan, sir.

Senator REID. The purpose being, then, if, in fact, the Air Force had need of a secret testing facility, that would be the purpose of it?

Mr. BOATRIGHT. Yes, sir; it would be available for some future, similar program, and would require that level of security.

Senator **Reid**. And, in the meantime, there would be a maintenance crew there to keep the facility in functioning shape?

Mr. **Boatright**. Yes, sir.

We'd have a relatively small caretaker force. It probably would be supported by a contract activity.

FUEL STORAGE TANKS

Senator **Reid**. One of the largest military construction projects identified this year is for fuel storage tanks in Norfolk. We are all in favor of well constructed, safe, fuel farms that are environmentally sound.

At the naval facility in Fallon, we have had some environmental mishaps, we understand, with fuel spills around the storage tanks. These spills are currently being investigated, both by the State and by Federal agencies.

With the emphasis on things environmental, do we have all over the military problems like at Fallon, where, over a period of many years, there has been loading and unloading of fuel? Do we have problems with soil contamination? That is the question.

Mr. **Berteau**. The short answer is yes, we do. I don't have the specific number of sites where you specifically have fuel contamination of soil.

But, overall, within DOD we have assessed something on the order of about 14,000 sites. That is how many we have identified. We have assessed virtually all of those with respect to the environmental situation. There is a mere handful, just a couple of hundred, that are still undergoing assessment.

Of those, we figure somewhere on the order of between 8,000 and 9,000—I don't remember the exact number, 8,500 or 8,600—actually will require some kind or at least a remedial investigation to determine the extent and the nature of what the contamination is.

In many cases, this is not fuel contamination of soil. But I can promise you that Fallon is not the only place where that potential exists.

Senator **Reid**. Admiral Buffington, I have a lot of questions to ask the Navy, but I do have a meeting next week with representatives of the Navy and the Pentagon to discuss the problems at Fallon. So, rather than take the committee's time, I will wait until the meeting next week to go into more detail with some of the concerns that I have at Fallon.

The last question that I have to ask, Mr. Chairman, is this.

NELLIS AIR FORCE BASE HOSPITAL

There is a joint venture between the Department of Defense and the Veterans Administration for a hospital at Nellis Air Force Base. This, of course, would consolidate the medical requirements of two departments of the Government. This is the first time this has been tried.

We will have at Nellis a cost-effective facility that is shared by both departments to satisfy the medical needs of the military and the growing number of veterans in the Las Vegas area.

It is my understanding that progress has been going on schedule. Is that true? Does anybody have that information?

Mr. **Berteau**. To the best of my knowledge, I am not aware of any problems with that.

Mr. **Boatright**. I would have to provide that for the record, sir.

Mr. **Berteau**. I am informed that a medical office representative is here and I would be happy to have him or her stand up and address that for you.

Senator **Reid**. That would be fine.

Mr. **Dowery**. I am Gordon Dowery, Director of the Defense Medical Facilities Office. We are on schedule with that project. It is scheduled to start in fiscal year 1991.

The project is currently under design.

Senator **Reid**. Before you sit down, has the memorandum of understanding between the Air Force and the Department of Veterans Affairs been finalized for the management of the facility?

Mr. **Dowery**. We will have to provide that for the record, sir. I am not certain. That was between the Air Force and the Veterans Administration.

[The information follows:]

No, the USAF and Veterans Administration's memorandum of understanding is not final yet, but the Department expects an agreement shortly. The Assistant Secretary for Health Affair's, Defense Medical Facilities Office will provide Senator Reid with an updated status report.

BASE CLOSURE II PROPOSAL

Senator **Reid**. Well, Mr. Chairman, out of all of the things that are going on in the military, this is certainly a show of efficiency. The Department of Veterans Affairs and the Air Force have worked very well with the State of Nevada. They already have an agreement with the medical school.

So, as far as I am concerned, that is my last question. I end on a high note.

I am very happy with the Air Force and how they have worked on this.

Senator **Sasser**. I thank you, Senator Reid.

Mr. Secretary, let's turn to the base closure II proposal.

I will have to say to you that, as far as I am concerned, this list lacks some credibility because of the very modest recommendations for closures overseas.

In base closure II, you are recommending closing 35 bases in the United States, while closing only 12 bases overseas and, of those 12, some of them, as I recall, are in trouble with the local populace and have been the subject of some agitation for closure by local people for some time, particularly the one in Greece.

Now, in my view, a credible base closure list would include a much larger number of bases for closure overseas.

It is clear that we are in a position to substantially reduce our force and base structure overseas. So why didn't you request more overseas base closures?

Mr. **Berteau**. Mr. Chairman, it is really just a question of the timing.

As you know, with the CFE negotiations presumably winding toward a beneficial conclusion for all involved, we would expect, in fact, that, upon the conclusion of those negotiations and the ratification of that treaty by the Senate, we would be able to propose the closure of a substantially larger number of overseas bases in Europe.

Those are not subject to the provisions of section 2687 of title 10. The President essentially has the authority to begin closing those in advance of a long notification, wait, and study period. That is just subject to the negotiations with the host nation.

In addition, the Secretary has indicated that in his recent trip overseas, he has concluded the beginnings of some discussions with our Pacific allies for reductions on the order of about 10 percent. I would expect that we might see some candidates or some closures coming out of that in the near future.

The main thing with respect to Europe, though, is waiting until the CFE negotiations are complete before announcing that.

We could not wait as easily with respect to the domestic closures, because of the extensive requirements for study. The Secretary, under law, did not have to announce on January 29 that he was going to close. But he does, under law, have to go through all six of the studies plus the environmental assessment under NEPA before he can, in fact, make a decision or before there can be a decision by a responsible official within the Department.

The Secretary felt that, basically, rather than have these studies begin and have them leak out one by one and essentially have confusion and chaos over the whole thing, it is better to put the whole package on the table, say that we are going to look at these 35, we are going to conduct all the studies required by the law and then we will make a decision.

He elected to do that essentially at the same time as he submitted the fiscal year 1991 budget proposal.

So it is a question of timing.

Under current law, you won't actually see a decision to close those announced to the Congress until we submit the fiscal year 1992 budget next January. At the time, one would hope that we will have completed the CFE negotiations. You will also see a much lengthier list of overseas bases.

NEW AIR BASE IN ITALY

Senator SASSER. Are you familiar with the decision by NATO to proceed with the construction of the new air base in southern Italy?

Mr. BERTEAU. Yes, sir.

Senator SASSER. This is to support the relocation of the Air Force's F-16's, which we're having to take out of Spain.

Does the Department still support this undertaking to build a new air base in Italy?

Mr. BERTEAU. Absolutely.

We feel very strongly that that is going to be a requirement in virtually any scenario of a post-CFE Europe. The commander-in-chief of our European forces feels very strongly that that needs to be there. The NATO allies are all proceeding according to that. The NATO infrastructure money is being made available, and, in fact, the Italian Government is in the process of acquiring the land and beginning to look at the construction to be able to move the F-16 wing into that base.

Senator **Sasser**. Well, Mr. Secretary, as you know, this subcommittee originated the legislation which required for the first time, I think, the NATO agreement that NATO pay their share of moving this base from Spain to Italy.

Mr. **Berteau**. Yes, sir.

Senator **Sasser**. Now, when we see the administration's proposal for fiscal year 1991, as I recall, they are taking it down to from 36 to 34 tactical fighter wings?

Mr. **Berteau**. Yes, sir.

Senator **Sasser**. The question that comes to mind is why do we need to proceed with building a new foreign military base to house a tactical fighter wing when we are proposing to close dozens of bases right here in the United States?

Mr. **Berteau**. The specific answer to that, of course, would be to get into the operational nature of the wing and why it needs to be located where it is, et cetera.

I would hesitate to get into that in an open session. I would be glad to go into that further with you.

The general response is that the wing is needed under any circumstances. I would almost go so far as to say that we are going to want that wing at a base in the southern tier of nations under almost any scenario that you would pose there, in part because of its location on the Mediterranean.

But to go much beyond that in an open session I would have some difficulty doing.

Senator **Sasser**. Well, I will be interested to hear your views on that because, frankly, I am coming to the conclusion that with Europe changing and with all of these domestic base closures, we might need to rethink our plans about building this base to house the 401st Tactical Fighter Wing with regard to base closures.

Let me just ask this. Is the Department presently preparing a base closure III, that is, their third list of base closures, which would include more bases overseas?

Mr. **Berteau**. Not as such, sir.

As I said, we are looking very hard at the bases that we would expect we would withdraw from overseas upon conclusion of a CFE Treaty.

In addition, the services are in the final stages of developing their 6-year defense program. They will be submitting those to the Secretary of Defense on April 30.

I would expect there would be the possibility, at least, of some additional candidates contained within those program proposals. But we are not working a specific list right now. There is a list working with the CFE negotiations.

Senator **Sasser**. Well, let me just ask you this.

If there is to be a base closure list III, will it include more bases inside the United States?

Mr. **Berteau**. There is a possibility of that. But I would not say that it is definitive. It may not be.

Senator **Sasser**. When would you anticipate that a base closure III list would be finalized and made public?

Mr. **Berteau**. If I could predict when we are going to get the CFE Treaty, I could tell you the answer to that.

We are optimistic that we will have that in time, obviously for the fiscal year 1992 budget submission next year.

If we don't have a CFE Treaty by the time we submit our 1992 budget, it is going to make this year's exercise of questioning why DOD is proposing what we have when some people don't think you need it, look like a penny ante game. But we are anticipating that we will have that treaty and we will be able to put that list forward in January of next year.

If the treaty is signed in June, we may be able to speak with a more definitive list sooner than that. But it depends on when the treaty is signed and then ratified.

Senator **Sasser**. Well, Mr. Secretary, we are not unmindful of the difficulties that you operate under, given the very rapid change that is occurring in world events and given the uncertainty of future base closure actions. The question comes how can Congress give any degree of credibility to the military construction request for fiscal year 1991?

How do you know and how do we know that this budget does not request funds for a number of locations which are going to be impacted by a future base closure III action? I don't know how we know that or how you know that either.

Mr. **Berteau**. That is a very good question. We asked ourselves that question back in December when we were putting together the final numbers for the budget request. We are in the middle of reviewing that again now.

I feel reasonably comfortable that, for example, with the overseas military construction projects, we can identify by and large those that would be worth proceeding under virtually any future that you would project. There are a number that have already been called into question. It is the reason the Secretary put the military construction freeze out for fiscal year 1990, and it is the reason that the services are currently reviewing their military construction proposals from 1990 on out. I think that if there are some projects within those accounts that it makes sense, in light of the current and changing situation, not to go forward with, then, in fact, the Secretary would make that decision and would come forward to the Congress with recommendations accordingly.

Senator **Sasser**. It occurs to me if there ever were a year to consider a moratorium on new military construction investments, this might very well be it.

I, frankly, do not see how we can mark up a bill until we finally know what is going to happen with regard to base closures. But that is simply my view, and we will return to the base closure problem later.

What is the $10 million that is requested under defense agencies for design activities of Washington headquarters services?

Mr. **Berteau**. I have a Washington headquarters services representative here and he can go into detail on that.

Senator **Sasser**. Would you identify yourself for the record, sir, please.

Mr. **Shipplit**. I am Gerry Shipplit of the Washington Headquarters Service.

The $10 million requested is for the design and renovation of the Pentagon, the headquarters of the National Defense Establishment.

As you know, last year, $4 million was authorized for the design of a new heating and refrigeration plant and there was some debate as to whether GSA should retain control of the Pentagon or whether it should be transferred to the Department of Defense.

The administration is supporting the transfer of the Pentagon to the Department of Defense, and the $10 million will further the concept plan for the renovation that has already been prepared.

Senator **Sasser**. Thank you.

Now, OMB, as you said, recently directed GSA to turn over the operations of the Pentagon to the Department of Defense.

Now, as I understand it—and this may come as a surprise, Senator Grassley—the Department of Defense wishes to undertake a $1 billion, 7-year rehabilitation and expansion program for the Pentagon.

Is that correct, Mr. Secretary?

Mr. **Berteau**. To the best of my knowledge, yes, sir. From a day-to-day experience point of view, I can tell you that, while I cannot validate the accuracy of the figure, I can certainly validate the need.

Senator **Sasser**. Does Secretary Cheney support the expenditure of $1 billion for a Pentagon building project?

Mr. **Berteau**. That is something which he has also asked to be covered in his review with the military construction. He has already received some input there. I don't expect him to make a final decision on that until it is in concert with the services' request as well.

But I would expect you would see that in May sometime.

I have no indication, I should add, that he does not support that. I do know that he has some additional material which he is reviewing there in terms of the overall 7-year impact of that.

Senator **Sasser**. How many net square feet do you wish to add to the Pentagon?

Mr. **Berteau**. I would have to get you that for the record. I don't know the exact answer to that.

[The information follows:]

The logistics support extension could be as much as 450,000 square feet. It would house the light industrial function (Defense Printing, shops, Post Office, loading docks and the like) and will greatly improve the security and environmental conditions of the Pentagon. The vacated space in the Pentagon would be used for swing space in order to clear a wedge of the building for renovation. The use of the vacated space in the Pentagon would significantly decrease the need to lease swing space.

REHABILITATION AND EXPANSION PROJECT

Senator **Sasser**. Do you plan to ask for direct appropriations for the next 7 years to pay for this $1 billion rehabilitation and expansion project?

Mr. **Berteau**. I don't know.

Gerry, are we going to do that?

Mr. **Shipplit**. Mr. Chairman, the proposal that we have put forward would have the payments that normally the Department of Defense makes to the General Services Administration placed into an account and supplemented by some direct appropriations to renovate the building.

Our forecasts show that over a 12- to 13-year period, the money that the Department would normally have paid the General Services Administration would pay for the operation and maintenance of the building and the renovation of the building.

Senator **Sasser**. Gentlemen, I'm just going to have to tell you, candidly, that appropriations of $1 billion or more to provide new offices for the Pentagon is just out of the question, I think, in the budgetary climate that I see coming.

I mean, here we are, at the end of a decade of a $1 trillion buildup in DOD expenditures, and we find that we have let the Pentagon deteriorate. The military construction bill is going to get smaller, not larger. I think we all agree with that.

There is simply, in my view, no room for such an undertaking.

Now, there is no doubt that the Pentagon is getting old. But the leadership of the Department itself has failed in the past to get the funds from the General Services Administration to keep the Pentagon repaired and maintained. Frankly, I don't blame GSA as much as I would place the blame on past Secretaries of Defense.

I mean, they could have insisted that the General Services Administration turn over sufficient amounts out of DOD's annual payments to keep the Pentagon repaired and maintained.

So, I am not persuaded that we ought to ask the taxpayers to come up with another $1 billion to provide new office space for those who work in the Pentagon and to expand it.

Perhaps it is time to take a hard look instead at scaling back some of the Pentagon staff. I think that is what is going to occur in the not too distant future. With more emphasis being placed on unified commands out in the field, with base closures, with the contraction of the military, perhaps we don't need to have as many people in the Pentagon bureaucracy as we have in the past.

I would also point out that this committee has suggested in committee reports for the past 3 years that if you need more space or rehabilitated space, you could consider locating some of your functions out to other, lower cost States and localities.

I mean, here we are, in the process of closing all of these bases, and we're going to spend $1 billion to rehabilitate and expand the Pentagon.

I just want you to know our thinking on this matter before you get too far down the road on this project.

Now, I am not unmindful of the deteriorating condition of the Pentagon. But I am not going to support $1 billion to build new offices out there.

We are simply going to have to look at some other alternatives.

I yield now to Senator Grassley.

Senator **Grassley**. I have no further questions except I want to say that I am as concerned about that last issue as you are. I would associate myself with your remarks.

Mr. **Berteau**. Mr. Chairman, if I could comment very briefly on that, I would appreciate it.

Senator **Sasser**. Certainly. We would be delighted to hear from you.

Mr. **Berteau**. I am certainly not in a position where I can revisit history in terms of decisions that were or were not made. The fact of the matter, of course, is that we have been spending $60 million a year on rent for the Pentagon already. With respect to the number of personnel, I cannot speak for the whole Department. But if I just look at the people who report directly to me, I could cut that staff in half and not make a dent in the Pentagon because those people are not located in the Pentagon as it is now. I am occupying leased space in a variety of places around the northern Virginia area, and that is costing a lot of money as well.

So I think what we have to do is to look at the overall cost effectiveness of the entire situation.

We certainly appreciate your concern. I think it is a reflection of a national concern that we have to keep in mind. We will certainly work with your staff in terms of the need, the justification, and the overall benefits and what these are.

BASE CLOSURE II PROPOSALS

Senator **Sasser**. Well, let's get on, if we may. I would like to ask you some more questions about the base closure II proposals. These are highly controversial, as you know, and have attracted a lot of attention.

These concerns are not all motivated by a parochial interest, as the Secretary of Defense and others have suggested.

I, for one, support a balanced list, a list that is based on force structure changes. But, as I understand it, the Department is yet to develop a new military strategy which comes to grips with the changing military threat.

Senator Nunn just this past Thursday delivered what I thought was a very perceptive and very penetrating speech on the floor of the U.S. Senate, zeroing in on just that problem. A portion of it was reprinted, and I suspect most everybody read it in the Sunday Washington Post op-ed page.

But if you do not have a new strategy, you simply cannot make well considered force structure changes.

If you cannot decide what force structure changes are going to look like, how can we make valid base structure changes?

It seems to me that we are getting the cart before the horse.

Now, some of our colleagues in the House have suggested that the base closure list in base closure II may be politically motivated. What do you have to say about that, Mr. Berteau?

Mr. **Berteau**. Mr. Chairman, I was a participant as we put together the package for the Secretary's announcement. As each service prepared its list, those candidates were essentially proposed based upon force structure changes which had been proposed for consideration by the Secretary but on which no final decision had yet been made.

So there was a clear force structure relationship between the candidates to study for closure and the force structure reductions that we would anticipate needed to be made there.

I think, in the Secretary's view, with respect to the strategy, he feels that he has adequately laid out the fundamental elements of any continuing strategy for the future, almost independent of what happens in central Europe with respect to the need for continuing forward deployed forces, with respect to the need for lighter, more mobile forces, with respect to the need for continuing sealift and airlift capability, and in some cases perhaps even expanded capability there, with respect to the need to continue to provide for adequate support in terms of pay and benefits and operating conditions and training and so on for the forces that we do have.

With respect to your comment about the politics of the issue, I can state quite clearly that, in fact, we did not even know what the impact was going to be—State by State, district by district, Congressman by Congressman, Senator by Senator—until we rolled up all three of the services' sets of proposals together in one place. That was the first time that we actually could tell you how many were going to be in which State or what the congressional or the political ramifications of that would be.

The Secretary made a clear decision at that point that the list was not built upon partisan political concerns. It was built upon a relationship to the force structure reductions that we saw coming and that, therefore, he was not going to change anything on that list with respect to partisan political concerns.

I think there is no question, in my mind at least, that the list was not built based upon partisan politics. The impact of it was not even known until the final list was all rolled together.

Senator SASSER. Well let me ask you this.

When were the services first tasked or directed to draw up the base closure II list?

Mr. BERTEAU. I don't have the exact date, but it was somewhere in between the time they proposed some force structure adjustments to the Secretary in the middle of the budget review during the fall of fiscal year 1989 and the time that he announced it in January. There was not a long time between those two.

Senator SASSER. Can you tell us what specific directions and guidance the services were given to draw up the list?

Mr. BERTEAU. The guidance he gave each service secretary was basically that, predicated upon proposals they had already made to him with respect to eliminating divisions within the Army, with respect to eliminating tactical fighter wings within the Air Force, with respect to eliminating battle groups within the Navy, that in the context of those proposals upon which their service POMS would be built and submitted at the end of April of this year, the service secretaries were to look across their base structure, both domestic and overseas, and come up with proposals for what they would consider to be the most viable candidates for closure.

They did that. The overseas bases, with respect to those not impacted by CFE, were submitted on the list, and all the domestic bases were initiated for study.

Senator SASSER. When did the services then submit their list to the Secretary of Defense?

Mr. BERTEAU. It was some time in January. I don't remember the exact date.

Senator SASSER. Did the Secretary merely rubber stamp the service lists, or did he make changes?

Mr. BERTEAU. Given, in fact, that the procedure we have to follow is to go with these massive, indepth studies of each, a total of seven studies of each one—six under title 10, section 2687, and another one under the National Environmental Policy Act—the Secretary felt that, since we were going to have to go through all these studies, it made sense to leave these bases on the list because there would clearly be an awful lot of concerns that one could raise about each installation, and it required a substantial amount of in-depth review. He made the decision to go ahead and put those on as candidates for that list so that those studies could be undertaken, and that the concerns which you alluded to earlier, which were not just parochial or partisan political concerns, could get a full airing, and we could look at the total impact and the total costs and benefits associated with that.

The only thing that he removed from the list were those things that would be impacted directly as a result of the CFE negotiations, and he did remove those from the list.

Senator **Sasser**. Well, are you saying, then, that the Secretary rubberstamped the list the services gave him——

Mr. **Berteau**. No, sir.

Senator **Sasser** [continuing]. Or did he make changes?

He did make changes, didn't he?

Mr. **Berteau**. He cannot, under the law, make a decision at this point. So he neither rubberstamped nor decided upon.

Senator **Sasser**. But he made changes in the list, didn't he?

Mr. **Berteau**. With respect only to taking off CFE bases. Those are the only changes he made—overseas bases that are directly dependent upon the successful negotiation of the Conventional Forces Europe reductions. Other than that, he did not take anything off the list.

But he did not rubber stamp them because he didn't make a decision on them yet. He just said go ye forth and study.

Senator **Sasser**. Were the services permitted to make changes after their lists went to the Secretary?

Mr. **Berteau**. Not with respect to taking anything off the list.

Senator **Sasser**. How about adding things on there?

Mr. **Berteau**. I don't think there is any prohibition against starting any additional studies.

Senator **Sasser**. Well, did they make any changes?

Mr. **Berteau**. To my knowledge, there are no additional studies underway now, but there may well be because they are not really required to notify us of those until such time as a study would be ready for a decision.

But I am not aware of any additional studies underway at the moment.

There are a lot of other studies underway within the Pentagon—for example, the defense management report consolidation studies, looking at supply depots and maintenance depots, or the labs, which were mentioned earlier, or test ranges and that sort of thing—studies underway now which may lead to some proposals for further consolidation and provide some opportunities for further candidates for study for closure.

Senator **Sasser**. Well, before Secretary Cheney released the base closure II list, did OMB review the list?

Mr. **Berteau**. Yes, sir.

That list was reviewed with the President and with OMB.

Senator **Sasser**. When was the list submitted to OMB?

Mr. **Berteau**. I don't remember the specific date. But it was not that long before the end of the budget cycle.

Senator Sasser. Could you supply that date for the record, Mr. Secretary?

Mr. Berteau. I will endeavor to do that. Yes, sir.

Senator Sasser. Were any changes then made as a result of the review by OMB?

Mr. Berteau. Not to my knowledge—again, other than the CFE bases, which did come off the list.

Senator Sasser. Well, these are legitimate questions which get at the validity and credibility of the base closure II list.

Mr. Berteau. Mr. Chairman, I am advised that the specific date of that meeting was Friday, January 26.

[The information follows:]

The January 29, 1990, list of candidates bases for closure was submitted to OMB in January 1990.

BASE CLOSURE LIST II

Senator Sasser. The subcommittee is going to want to know some specific answers about the whole business of the formulation of the base closure list II before we mark up the bill. If bases were added or subtracted from the list that the services originally submitted to Secretary Cheney's office, we'd like to know which ones; we want to know why they were added or why they were deleted, and when in the process these changes were made.

I trust you will provide the committee with this information for the record just as soon as possible.

Mr. Berteau. Yes, sir; I think the Secretary was very aware of the potential concerns there and made a very strong, concerted effort, in light of the fact that he was not in a position to make a decision on any of these, that he was not going to take anything off the list until such time as the studies had been conducted and we were in a position actually to make a decision.

[The information follows:]

The only bases eliminated from the Service Secretaries' proposed closure list were those overseas installations whose closure was subject to the Conventional Forces, Europe negotiations. These bases were eliminated in order to protect our negotiating position. Upon completion of these negotiations a list of these installations will be publicly released and closure proceedings will commence.

BASE CLOSURE I ACTIONS

Senator Sasser. Last year, the Department testified that, under the law, the Commission's recommendations were sacred and not to be tampered with. DOD argued that not even minor changes could be made to the package produced by the Commission, that the package could only be accepted in its entirety or turned down in its entirety.

Now we understand that the department itself is changing the approved base closure I actions. For example, a number of C–141 aircraft to be moved from Norton Air Force Base in California to March Air Force Base has been substantially reduced since the Congress approved the base closure package.

Now, we can debate the merits on that particular decision to retire these aircraft. I happen to think the Air Force is being unwise to retire C–141's when the future of the C–17 is very much in doubt at the present time. But that is not the purpose behind my question here today.

My question is this. Have there been other changes unilaterally made by the Pentagon to the Base Closure Commission's recommendations and if so, what are they?

Mr. BERTEAU. There are three or four examples of a similar nature to the one that you describe, Mr. Chairman. I have to make sure that I am crystal clear on this, though.

None of those actions taken subsequent to the beginning of the implementation of the Base Closure Commission's bases actually affects the bases that are closing. They have to do with the residual force structure and where it is going to be moved to and, in fact, whether it is going to exist at all.

As I mentioned earlier, we feel that it would be very bad public policy for us to be precluded from considering during any force structure reduction exercise, such as the ones going on right now, that we could not touch any forces that were in any way, shape, or form left over at the end of the Base Closure Commission's reports.

We're closing everything that the Base Closure Commission said we should close. We are moving everything that should be moved to somewhere else, except where in those few cases—and I will provide you the specifics of those for the record—where current force structure reductions reflected either in the fiscal year 1991 budget or anticipated as part of the fiscal year 1992 plan make those forces go away or in some other way make it obviously unnecessary for them to move.

[The information follows:]

NAVY HOSPITAL, PHILADELPHIA

Commission.—Closed Naval Hospital, Philadelphia.

SECDEF January 1990 Announcement.—Proposed study to close the Philadelphia Naval Station and the Philadelphia Naval Shipyard.

Rationale.—Force level reductions beyond the fiscal year 1991 budget may eliminate naval medical facility requirements in the Philadelphia area which would eliminate or reduce planned construction and/or renovation costs at the Philadelphia Veterans Administration hospital.

EAKER AIR FORCE BASE

Commission.—Closed Pease Air Force Base, New Hampshire and realigned the 509th Air Refueling Squadron (KC-135 aircraft) to Eaker AFB and four other locations.

SECDEF January 1990 Announcement.—Proposed Eaker AFB be studied for potential closure and the 509th Air Refueling Squadron realigned elsewhere.

Rationale.—Closure of Eaker AFB will reduce the number of aging and costly to maintain B-52's and allow for redistribution of the KC-135 tanker assets. Continued operation of Eaker AFB to support one KC-135 and KC-135 simulator from Pease AFB is not prudent.

FORT DIX TRAINING REQUIREMENTS

Commission.—The Commission realigned Fort Dix to semi-active status and relocated entry level training functions (Basic Training [BT] and Advanced Individual Training [AIT]) from Fort Dix to other Army training base installations. Additionally the Commission recognized the relocations prescribed above may require some modification and gave the Secretary of the Army permission to modify them. These modifications must be at no greater cost and payback, and follow the stated intent of the Commission.

SECDEF January 1990 Announcement.—The reduction in Active and Reserve Component end strength in the Army will impact the training base requirements and hence the Commission's recommendation. However, until the Army completes its Structure Manning Decision Review, the precise impact cannot be determined.

Rationale.—There is a potential that the scope of a number of military construction projects associated with the Fort Dix package, and the distribution of basic training among gaining installations will need to be adjusted.

BERGSTROM AIR FORCE BASE

Commission.—Closed George Air Force Base, California, and realigned the 41st Electronic Combat Squadron (EC-130H aircraft) from Davis-Monthan AFB, Arizona to Bergstrom AFB, Texas.

SECDEF January 1990 Announcement.—Proposed Bergstrom AFB be studied for potential closure which would cancel the 41st Electronic Combat Squadron move.

Rationale.—A reduction in the Soviet military threat will result in less requirements for in-theater reconnaissance forces. A corresponding reduction in training requirements could enable the retirement of some RF-4C aircraft at Bergstrom AFB, which creates excess capacity. If the decision is made to close Bergstrom AFB, any remaining aircraft could be relocated to installations with sufficient excess capacity, thereby obviating the need to realign the 41st Electronic Combat Squadron to Bergstrom AFB.

DAVIS-MONTHAN AIR FORCE BASE

Commission.—Closed George Air Force Base, California and required the USAF to realign the 27th Air Support Squadron (OV-10 aircraft) to Davis-Monthan AFB, Arizona.

SECDEF January 1990 Announcement.—Proposed, as a consequence of a Defense Management Review, that four OV-10A's and five A-10's at Davis-Monthan AFB be retired and that the 24 OV-10's being realigned from George AFB, California, be inactivated and those aircraft be retired.

Rationale.—Saves base operating and OV-10 and A-10 aircraft operating costs.

NORTON AIR FORCE BASE

Commission.—Closed Norton Air Force Base, California but allowed the Ballistic Missile Office to remain at Norton AFB due to its functional requirements and high cost of relocation. Additionally, recommended realigning 36 C-141 aircraft to March AFB.

SECDEF January 1990 Announcement.—Proposed disestablishing the Ballistic Systems Divisions at Norton AFB, retiring 20 C-141 aircraft there, and only transferring 16 C-141 aircraft to March AFB.

Rationale.—Saves base operating as well as the C-141 aircraft operating costs.

LEXINGTON ARMY DEPOT

Commission.—Closed Lexington Army Depot and realigned the Material Readiness Support Activity to Letterkenny Army Depot, Pennsylvania.

SECDEF January 1990 Announcement.—Proposed, as a consequence of a Defense Management Review, that the Army Material Command merge several of its logistics support activities at Letterkenney Army Depot, Pennsylvania. This merger includes: the Material Readiness Support Activity, the Logistics Control Activity from the Presidio of San Francisco, the Catalog Data Activity from Harrisburg, Pennsylvania, and the Packaging, Storage; and Containerization Center, from Tobyhanna, Pennsylvania.

Rationale.—Cost savings and more efficient operation.

INFORMATION SYSTEMS COMMAND

Commission.—Realigned the Information Systems Command [ISC] to Fort Devens from Forts Huachuca, Monmouth, and Belvoir.

SECDEF January 1990 Announcement.—Proposed, as a consequence of the Defense Management Review, to streamline ISC, worldwide.

Rationale.—Reduces base operating and military construction costs.

FORT MEADE, CIDC

Commission.—The Commission partially closed and realigned Forts Meade and Holabird, and realigned the 1st Region, Criminal Investigation Command [CIDC] headquarters to Fort Belvoir, Virginia.

SECDEF January 1990 Announcement.—Proposed eliminating the 1st Region, CIDC headquarters.

Rationale.—Eliminating the 1st Region CIDC headquarters will avoid renovations costs at Fort Belvoir, Virginia and reduce Army military and civilian personnel end strength without impacting mission.

FORT SHERIDAN, FOURTH ARMY HEADQUARTERS

Commission.—Closed Fort Sheridan and realigned both the Headquarters, Fourth Army, and the Headquarters, United States Army Recruiting Command to Fort Benjamin Harrison, Indiana.

SECDEF January 1990 Announcement.—Proposed eliminating the Headquarters, Fourth Army.

Rationale.—Eliminating the Headquarters, Fourth Army avoids renovations costs at Fort Benjamin Harrison, Indiana and reduces Army, military and civilian, personnel end strength without impacting mission.

HAMILTON ARMY AIR FIELD

Commission.—Closed Hamilton Army Airfield. Specifically, approximately 695 acres not required by the Army Reserve were recommended for closure and disposal. Facilities are to be constructed on the remaining acres to consolidate the Headquarters, 3/12 Special Forces Group and the 3/12 Service Company; the Headquarters, 2/91 Division Training; the 6253rd USA Hospital; and all Reserve units.

SECDEF January 1990 Announcement.—The Army proposes to inactivate selected mobilization base/expansion support units including one national guard brigade of the 40th Infantry Division in California.

Rationale.—The reduction of California Army Reserve personnel could impact the scope of the Reserve Center construction project at Hamilton Army Air Field.

LEGAL AUTHORITY FOR ALTERING COMMISSION RECOMMENDATIONS

Senator **SASSER**. What is the legal authority for altering the Base Closure Commission's recommendations?

Mr. **BERTEAU**. It's basically the legal authority of title 10, section 2867 for subsequent years' submissions. The Congress obviously has the authority to authorize and appropriate on those as they go forward.

Senator **SASSER**. Well, the legislation the Department has submitted to the Armed Services Committees would make the base closure account permanent.

Mr. **BERTEAU**. Yes, sir.

Senator **SASSER**. It would give the Secretary broad latitude in taking base closure actions.

Now, do I understand the proposal correctly, that if it becomes law, you would no longer have to study alternatives or options to a particular base closure as is now required by the National Environmental Policy Act?

Mr. **BERTEAU**. That is not exactly correct.

What we would be able to do is actually to make a decision to close in advance of a complete EIS evaluation of all those alternatives. It would not free us up from the responsibility for examining those alternatives and looking very carefully at the impact, including the public policy processes that are laid out under NEPA.

But for purposes of making the decision to close, that decision could be made in advance of a careful examination of all the myriad of alternatives obviously that can exist, and those alternatives are enormous when you are moving from one place to another. When you are taking force structure down, they are much more limited and narrow.

Senator **Sasser**. Well, I must say there are several aspects of the base closures that are troubling to me. If the Congress gives the Secretary the broad latitude that he presently seems to desire, I fear that base closures can then easily become a political weapon that this administration or a future administration can use to reward their friends and punish those that they wish to punish.

Now I understand that you do not support the suggestion by Congressman Aspin that a new Base Closure Commission be formed. I don't understand your reasoning on that.

Mr. **Berteau**. The Secretary basically took a look at that. He looked, first of all, at the fact that the Commission, which existed last year, and from whom you received testimony, in its final report recommended that this task not be undertaken in the future by a Commission but, in fact, be part of the normal way that the executive branch does business, both with respect to reviewing candidates for closure and with respect to being able to close.

The Secretary feels that in light of his authorities and responsibilities as the Secretary of Defense, he is in the position where he has the responsibility to move in that regard. He also feels that, with respect to the current climate and the speed with which those adjustments need to be made, it is incumbent upon the executive branch to be able to act in a way to bring the budget down responsibly and to keep the dollars and the forces and the bases in balance.

Senator **Sasser**. It is my view that a new commission would add credibility to the process. There is some question on the part of some Members, particularly in the House of Representatives, as to just how much credibility the whole base closing process has with regard to the Base Closure II list.

Do you have any further questions of this witness, Senator Grassley?

Senator **Grassley**. No.

Senator **Sasser**. Mr. Secretary, do you have anything further you would wish to say to us today?

Mr. **Berteau**. Mr. Chairman, you have raised a number of points with respect to information that you hope you all will have as you go through marking up and so on. We will endeavor very much to keep you and your staff fully informed as to where we stand there, and we hope to be able to provide you everything you need before you do proceed with markup.

You have a tough challenge. We have a tough challenge as well. You are absolutely right, the future is not clear. If we do it right, it is going to be a lot brighter than it will be if we do it wrong.

Senator **Sasser**. Well, I think we can find some solace in the fact that the future appears to be brighter than the past has been.

Mr. **Berteau**. Yes, sir.

ADDITIONAL COMMITTEE QUESTIONS

Senator **Sasser**. Mr. Secretary, thank you very much for your appearance here this morning. I wish to thank your colleagues also for their appearance and their support.

Mr. **Berteau**. Thank you, Mr. Chairman.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

ADDITIONAL COMMITTEE QUESTION

REAL PROPERTY MAINTENANCE

Question. What portion of the fiscal year 1989 O&M funded maintenance/repair projects costing over $500,000 were emergent rather than planned and budgeted.

Answer. In accumulating data from the fiscal year 1989 execution list of maintenance, repair and minor construction projects costing over $500,000, we used a cutoff date, for project planning, of September 30, 1987. If the project was not a known requirement, as of that date, it would not have been submitted with the Services' fiscal year 1989 budget. Based on the above date, approximately 46 percent of major projects would have been unforeseen, as a result of natural disaster, mission change, and other unforeseen events.

QUESTION SUBMITTED BY SENATOR DANIEL K. INOUYE

REAL PROPERTY MAINTENANCE

Question. During review of the fiscal year 1990 budget, language directing the Services to list and justify all O&M funded maintenance and minor construction projects costing $500,000 or more was included in the Senate Defense Appropriations Subcommittee report and was reaffirmed in the Conference Joint Explanatory Statement.

Only the Army has provided the required justification to date. Our understanding is that none of the balance will be submitted until internal DOD concerns are resolved. This subcommittee is also eagerly awaiting this information.

Mr. Secretary, can you explain the difficulty the Department is having in complying with this direction?

Answer. This is the first time Congress requested this level of detailed, project oriented data and it has been a challenging task to accumulate it. As your review of the exhibits no doubt will confirm, the project listings document a wide variety of planned, prudent, and necessary projects essential to maintaining and protecting our $600 billion infrastructure. The lists represent those major repair projects currently planned, and are subject to change based on emergent requirements resulting from natural disasters, mission changes, and unforeseen events. One of our major concerns is preserving flexibility of installation commanders to respond rapidly to changing requirements. Since they are closest to the problem, they are in the best position to make the decisions and optimize the investment of resources.

LETTER FROM SENATOR DANIEL K. INOUYE

MARCH 20, 1990.

Hon. SEAN O'KEEFE,
Comptroller, Department of Defense, The Pentagon, Washington, DC.

DEAR MR. O'KEEFE: During review of the fiscal year 1990 budget Congress approved a significant increase in funding for real property maintenance over the fiscal year 1989 approved level. This increase was approved, despite lack of justification on individual projects, to ensure that the maintenance and repair backlog did not grow substantially. This committee, however, included report language directing that beginning with the fiscal year 1991 budget, service Operation and Maintenance [O&M] budget requests should list by site and provide justification for all real property maintenance projects costing more than $500,000. This data was requested to facilitate programmatic review of the real property maintenance budget. After careful review of Service requests to delete the Senate report language, the Conference Managers instead reiterated the Senate direction in the Joint Explanatory Statement of the Committee of Conference.

The Committee has received fiscal year 1991 O&M justification material from the Services and agencies. Only the Army, however, has provided the required list of maintenance projects. Delivery of this information by the end of March (eight weeks after submission of the budget) is essential to effective review of the Defense budget.

Your assistance in obtaining this submission by March 30 is appreciated.

Sincerely,

DANIEL K. INOUYE,
Chairman, Senate Appropriations Subcommittee on Defense.

QUESTION SUBMITTED BY SENATOR ROBERT C. BYRD

CUTBACKS IN WEST VIRGINIA NATIONAL GUARD UNITS

Question. I am seriously concerned about the proposed cutbacks of the Army National Guard units located in West Virginia that were included in the Army Base Closure package. I am advised that candidates for closure or realignment by fiscal year 1993 include the 1st Squadron, 150th Armored Cavalry (a squadron of the 107th Armored Cavalry Regiment, Ohio Army National Guard) and the Troop Support Squadron, 107th Armored Cavalry Regiment, which has units located in nine West Virginia counties. These units represent 25 percent of the authorized strength of the Army National Guard of West Virginia and have very significant economic impact on the entire southern one-half of the State. The loss of these Armored Cavalry Squadron units would have a serious adverse effect on the West Virginia National Guard and the State of West Virginia, and comes at a time when West Virginia can ill afford an economic impact of this magnitude.

More importantly, it is difficult to see the logic of cutbacks in National Guard forces, at a time when proposals are being made for significant reductions in active duty forces throughout the world. It is clear that if the United States is to maintain a strong defense posture, that simultaneous reductions cannot be made in National Guard and Reserve forces as well as active forces.

Since these reductions are proposed by fiscal year 1993, may I have your assurance that no action will be taken in fiscal year 1991 to reduce West Virginia National Guard or Reserve units? Furthermore, may I have your assurance that no reductions will be made in any West Virginia Guard or Reserve units without the expressed consent of Congress?

Answer. The Army's fiscal year 1991 budget submission included proposed reductions in active and reserve component force structure which reflect the expectations of a reduced conventional force threat and significant resource constraints. The reserve component comprises one-half of the Army's combat forces and nearly two-thirds of the combat support and combat service support force structure. As requirements are reduced, in accordance with Army doctrine, to reflect a smaller threat, the reserve component structure is also reduced to reflect lower requirements. The proposed elimination of the 107th Armored Cavalry Regiment follows in accordance with doctrine and world situation.

There are no force reductions currently planned for West Virginia reserve component units in fiscal year 1991. Force structure adjustments after fiscal year 1991 will be largely dependent on an evaluation of the threat, Army doctrine, and resource availability.

QUESTIONS SUBMITTED BY SENATOR HARRY REID

FUTURE STATUS OF BASES IN CARETAKER STATUS

Question. If a base loses its primary mission in a realignment this year, will it be a likely candidate for base closure in the next series of base cutbacks? Are bases that fall into a "caretaker" status likely candidates for base closure?

Answer. Obviously, the loss of an installation's primary mission is not a positive retention indicator but it is not the only indicator. No final decisions will be made for any closure or realignment until completion of the environmental analyses required under the National Environmental Policy Act [NEPA]. Additionally, any installation closed or realigned under section 2687 of title 10 of United States Code, will address fiscal, local economic, budgetary, environmental, strategic, and operational consequences. The same would be true for bases placed in "caretaker" status.

WILL DEPARTMENT CONTINUE TO USE COMMISSION CLOSURE CRITERIA?

Question. Will the new series of base closing and realignments use the same criteria and weighing factors as those that were used by the first Commission on Base Alignment and Closure?

Answer. No, the Defense Secretary's Commission on Base Realignment and Closure recommendations assumed a constant mission and force structure. The bases were first analyzed to determine if there was any excess capacity; and subsequently, closed or realigned, based on a subjective evaluation of their military value and payback. Conversely, Secretary Cheney's January 29, 1990, proposed base closure list was based on potential force structure reductions. Secretary Cheney asked each of the Service Secretaries to review their existing force structure and associated basing requirements with an eye toward identifying possible budget reductions. These actions are based on a decline in real defense spending and the fundamental changes underway in the world, particularly in the Soviet Union and Eastern Europe.

ANNUAL SAVINGS

Question. In your statement, you mentioned that there is a fiscal year 1989–fiscal year 1995 Financial Plan. Could we get a copy of that plan? In your summary of the plan for the first round of closure, the total expenditures are $3.4 billion and the savings are $2.6 billion which are combined with the land sale proceeds of $2.3 billion to yield a $1.5 billion gain by fiscal year 1995. That makes the savings through 1995 sound like they are highly contingent on the land sale proceeds. Are there estimates for projected savings beyond 1995?

Answer. Through separate cover I have forwarded your office a copy of the fiscal year 1989 through fiscal year 1995 Financial Plan. The Department estimates approximately $750 million in annual savings for the years beyond 1995.

SUNK COSTS

Question. The value of the land is factored into the decision to close a base but is the Milcon investment in the physical plant also factored into the decision to close a base?

Answer. No, sunk costs are not considered. When making an economic analysis, the objective is to choose the course of action that is expected to result in the most favorable future benefits. Because it is only the future consequences of investment alternatives that can be affected by a current decision, an important principle in economic studies is to disregard cost incurred in the past. Previous investment costs, be they last year or many years ago, are therefore not considered.

PRIME BASE CLOSURE CRITERION

Question. What is the prime criteria for closing a base? Are there any standard criteria provided to the military department for base closures?

Answer. With regard to Secretary Cheney's January 29, 1990, proposed base closure list, the Secretary asked the Service Secretaries to review their existing force structure and basing requirements in order to identify possible budget reductions. The candidates for closure primarily result from potential force structure reductions. Cost, savings and efficiency are also important elements of a closure analysis but not the only elements. Future workload and mission effectiveness are examples of other important elements. The final decision on the Secretary's January 29, 1990, proposals will not be made until completion of environmental analyses required under the National Environmental Policy Act [NEPA]. After the environmental analyses are completed, the Department of Defense will determine whether or not to proceed. Consequently, the Service proposals may undergo revision as the studies are completed. Additionally, for any installation closed or realigned under section 2687 of title 10 of United States Code, the fiscal, local economic, budgetary, environmental, strategic, and operational consequences of the closure will be addressed.

MINIMUM SAVINGS THRESHOLD

Question. Is there minimum savings threshold below which a base would not be considered for closing or realignment?

Answer. No, there is no minimum. I would also note that savings is not the only criterion.

DLA OVERSEAS CONSTRUCTION

Question. Last year during the Milcon hearings, the DLA had requested $95.2 million for various worldwide locations. Has the thawing in East-West relations caused you to reconsider construction on storage facilities overseas?

Answer. Yes. In fiscal year 1990, twenty storage projects located in Europe were planned. Since the fiscal year began we have canceled sixteen of the twenty projects for conforming storage facilities in Europe and the remaining four projects were placed on hold pending results of the reductions and realignments taking place. We have also deferred seven Milcon projects scheduled for fiscal year 1991 through fiscal year 1995 indefinitely pending reductions in forces in Europe.

NATO INFRASTRUCTURE PROGRAM

STATEMENT OF DAVID E. WRIGHT, DIRECTOR, INFRASTRUCTURE, LOGISTICS, AND CIVIL EMERGENCY PLANNING, U.S. MISSION TO NATO, BRUSSELS, BELGIUM

BUDGET REQUEST

Senator SASSER. Our next witness is Mr. David Wright, Director of the NATO Infrastructure Program at the U.S. Mission to NATO in Brussels.

Mr. Wright, I understand that the request this morning is for $420 million. That is $4.2 million less than was appropriated last year.

We are running a little bit over our time here, so I would urge you to be as brief, Mr. Wright, as you can. You may proceed as you wish.

Mr. WRIGHT. Thank you, Mr. Chairman. I have provided written comments to your staff for your consideration for inclusion in the record.

Senator SASSER. Would you pull the microphone just a little bit closer, please?

Mr. WRIGHT. Yes, sir; I have provided written comments to your staff for your consideration for inclusion in the record. As briefly as possible, I will summarize what those comments say, with your permission.

Since my predecessor appeared here before this subcommittee some 2 years ago, the NATO common-funded infrastructure program has been serving NATO well and the United States even better. I would like to update you regarding the progress of the program, the state of U.S. participation, and proposals for the future of the program.

Addressing the overall infrastructure program, current year programming is the largest ever—approximately $1.9 billion. Both NATO authorizations and NATO expenditures have continued to increase in response to the 1984 defense ministers' remit to accelerate implementation. Authorizations are expected to approach $2 billion and expenditures $1.75 billion in 1990.

Defense ministers in 1988 set the initial level of programming for the first two slices of the next slide group, that is, 1991 and 1992. They agreed to commit sufficient funds to maintain the current buying power of the infrastructure program—in other words, adjusted for inflation.

As part of the biennial infrastructure review in 1990, ministers in May of this year would normally agree to the programming level for the entire next 6-year slice group, that is, 1991 through 1996. In view of ongoing CFE negotiations, we recognize that this may no longer be a realistic schedule nor an appropriate task.

Rather, it would be more prudent for a ministerial decision on infrastructure to be deferred, at least under the December 1990 ministerial meeting.

We may further wish to limit any decision in December on programming levels to a period of time in the future less than the 6 years that is foreseen.

As far as U.S. participation in the program is concerned, the NATO infrastructure continues to be a good investment. We pay some 27 percent of the program and get about 50 percent of it back for our use.

We have been successful in meeting the congressional remit to get more of our facilities funded by NATO. Since 1987, NATO has funded more of our facility requirements in Europe than has the Milcon program. This year, the gap is nearly 3 to 1 in favor of NATO.

Our efforts to recoup Milcon funds used to prefinance NATO also continue to be successful. We have been recouping about $40 million a year and expect to continue doing so. There is about $240 million of prefinancing that is recoupable. Of that, NATO has programmed some $70 million, and the other $170 million is foreseen to be programmed in the next 6-year slice group.

NATO is right now authorizing money for the Army's weapons access delay systems, called WADS, and we expect before 1990 is finished to be authorizing funds for the Air Force's weapons storage and security system, called WS^3.

Most of this recoupment is a result of our efforts, during the past 2 years, in gaining additional NATO infrastructure eligibility for U.S. requirements. WADS eligibility has been agreed, and the WS^3 eligibility has been accepted on an interim basis.

The NATO Military Committee has endorsed the eligibility of support facilities for attack helicopters, the Apache. Final agreement on that is expected this year. NATO is currently reviewing U.S. proposals for eligibility for in-shelter—that is, aircraft shelter—refueling systems and for contingency hospitals.

In the NATO Atlantic Command area, the ongoing, aggressive construction programs for United States forces in Iceland and Bermuda are expected to continue. NATO infrastructure funding for projects located in the United States has been steadily increasing, and is now valued at $20 to $25 million per year. Even higher levels are foreseen in the 1991 to 1996 slice group.

We have identified eligible projects valued at $258 million for NATO consideration at locations in Maine, Connecticut, New Jersey, South Carolina, and Florida.

Now I have given you a lot of facts that I believe demonstrate that the NATO Infrastructure Program is a continuing alliance and U.S. success story. But I wish to emphasize that it is no longer business as usual for NATO infrastructure. We are in a period of transition from a pre-CFE to a post-CFE environment, and we are working hard to accommodate that period of transition.

There are several efforts that are underway to accommodate this changing situation. I will very quickly describe four of them.

The infrastructure committees, using the best available information regarding likely or even potential force reductions, are selectively: (1) authorizing only the design phase of a project; (2) deferring programming, authorization or contract award; or (3) deleting projects.

When a programmed project comes before the infrastructure payments and progress committee for authorization, the sponsoring NATO commander must verify that the project is required in a post-CFE environment. Otherwise, the project is deleted or deferred.

The United States is cosponsoring an initiative to review the objectives and scope of the entire infrastructure program and establish new guidelines for the future. We expect this study to be accomplished in 1990.

The NATO pipeline organization likewise is now formulating the scope of work for a study to see what the requirement is for pipelines in a post-CFE environment. This should be contracted to industry for study this year.

And, as I previously mentioned, defense ministers are likely to defer for at least 6 months any decision on any future funding commitments for 1993 and beyond.

We have in the Department of Defense identified eight areas which we believe are candidates for infrastructure funding in the 1990's. They are, quickly, as follows:

An air command and control system to provide for integrated combat air operations and replace the existing aging and obsolete NATO system;

The funding and modernization of civil works and electronic systems of the NATO airborne early warning and control system;

Expansion of the infrastructure reinforcement support category to fund embarkation facilities in the continental United States;

NATO common funding of operations and maintenance costs for facilities in wartime use, facilities reserved for wartime use, in order to reduce U.S. O&M costs;

Funding for CFE implementation costs, including common-user verification systems and, possibly, destruction facilities;

A precombat readiness category to increase the readiness of residual, in-place forces, and reduce costly and environmentally harmful live exercises;

The relocation of the 401st Tactical Fighter Wing;

Last is environmental compliance and cleanup.

I believe within each of these areas, under any proposed or probable post-CFE scenario, there are requirements that should, in the best interest of the alliance and the United States, be common funded to the proven NATO infrastructure program. Even should some of these initiatives not be implemented, I believe that the remaining, collectively, will justify a continuation of the current level of infrastructure programming. I would be pleased to elaborate on any of the eight initiatives.

PREPARED STATEMENT

My immediate goal in discussing NATO infrastructure with you today is to gain your support for that portion of the President's budget, some $420 million, for the U.S. contribution to the NATO Infrastructure Program. I believe there is a demonstrated continuing need that infrastructure is the best way to meet it.

We will spend the taxpayers' money wisely.

Thank you, sir.

[The statement follows:]

Statement of David E. Wright

Since my predecessor appeared before this subcommittee, some two years ago, the NATO common-funded infrastructure program has been serving NATO well and the United States even better. I would like to update you regarding the progress of the program, the state of U.S. participation, and proposals for the future of the program.

Addressing the overall infrastructure program; current year (1990 or slice 41) programming is the largest ever, approximating $1.9 billion at current exchange rates. Because this is the last slice in a six-year slice group we have the opportunity to adjust the programming authority as a result of: (1) the deletion of projects previously programmed in the slice group but no longer required, and (2) reduction in contingency funds due to more efficient management and accelerated implementation. Programming authority made available as a result of these adjustments will be utilized to program projects for the relocation of the 401st Tactical Fighter Wing to Crotone, Italy and other vital requirements.

Both NATO authorizations (obligations in U.S. terminology) and NATO expenditures (disbursement of funds) have continued to increase in response to the 1984 defense ministers' remit to accelerate implementation. During 1990 authorizations are expected to approach $2 billion and expenditures, $1.75 billion.

Per normal procedure, defense ministers, in 1988, set the initial level of programming for the first two slices of the next slice group, that is 1991 and 1992. They agreed to commit sufficient funds to maintain the current buying power of the infrastructure program adjusted up to compensate for inflation, then considered to be 3 percent per year.

As part of the biennial infrastructure review (BIR) 1990, ministers in May of this year, would normally examine the adequacy of their prior commitments for 1991 and 1992 and agree the programming level for the entire next six-year slice group, i.e. 1991 through 1996. In view of ongoing CFE negotiations we recognize that this may no longer be a realistic schedule nor an appropriate task; rather it would be more prudent for a ministerial decision on infrastructure funding to be deferred, at least until the December 1990 ministerial meeting. Further, in view of continuing uncertainty regarding future needs, we may wish to limit any decision in December on programming levels to a period of time less than the normal full six-year slice group.

As far as U.S. participation is concerned, the NATO infrastructure program continues to be a good investment. We pay approximately 27 percent of the bill and get back about 50 percent for U.S. user projects and our share of joint-use projects.

We have been successful in meeting the congressional remit to get more of our facility requirements funded through the NATO infrastructure program. Since 1987 NATO infrastructure has provided more funding for our forces in Europe than has the U.S. Milcon program. The ratio in favor of NATO infrastructure is increasingly widening, and is nearly 3 to 1 in 1990.

Our efforts to recoup Milcon funds used to prefinance NATO infrastructure also continue to be successful. We have been recouping an average of over $40 million annually and expect to continue doing so. Of the remaining $240 million of prefinancing remaining to be recouped, NATO has programmed $70 million, and the balance of $170 million is scheduled for programming during the 1991–1996 slice group, provided that the current level of overall infrastructure programming is maintained. NATO authorizations of funds for the prefinanced U.S. Army's weapons access delay systems (WADS) is underway. Authorizations of Air Force weapons storage and security systems (WS^3) projects are expected to commence later this year.

Most of this recoupment is a result of our efforts, during the past two years, in gaining additional NATO infrastructure eligibility for U.S. requirements. WADS eligibility has been agreed, and WS^3 eligibility has been accepted as an interim basis which allows the programming and authorization of projects to proceed. The NATO Military Committee has endorsed the eligibility of support facilities for Apache attack helicopters, and final infrastrucutre committee agreement is foreseen later this year. Thereafter, Apache support projects, in addition to those already programmed at two pilot location, can be programmed. NATO is currently reviewing a U.S. proposal for eligibility for in-shelter refueling systems, which would enhance the survivability of personnel and aircraft. Proposals for the eligibility of contingency hospitals are being developed. In the NATO Atlantic Command area, ongoing aggressive construction programs for U.S. forces in Iceland and Bermuda are expected to continue. NATO infrastructure funding for projects located in the U.S. has been steadily increasing, and is now valued at $20 to $25 million annually. Even higher levels of funding are foreseen in the 1991-1996 slice group to pay the lion's share of identified projects valued at $258 million for naval facilities at Brunswick, ME; New London, CT; Earle, NJ; Charleston, SC; and Jacksonville, FL.

Now I have given a lot of facts that I believe demonstrate that the NATO infrastructure program is a continuing alliance and U.S. success story. I wish to emphasize, however, that it is no longer business as usual for NATO infrastructure. We are in a period of transition from a pre-CFE to a post-CFE environment. Infrastructure personnel are working hard to respond to rapidly changing requirements as a consequence of the dramatic events unfolding in Eastern Europe and the resultant perception of a decreasing threat and likelihood of significant force reductions. Additionally, there is no intent to continue current infrastructure funding levels unless it can be demonstrated to you, and to other nations parliamentarians, that there is a commensurate continuing need, albeit a changed need. I for one, believe there is.

Several efforts are underway to accommodate the changing situation, I will describe four of them.

The infrastructure committees, using the best available information regarding likely or even potential force reductions, on a project-by-project basis, are selectively: (1) authorizing only the design phase of a project; (2) deferring programming, authorization or contract award; or (3) deleting projects. When a programmed project comes before the infrastructure payments and progress committee for authorization, the sponsoring major NATO commander must verify that the project continues to be a NATO minimum military requirement and is required in a post-CFE environment. Otherwise, the project is deleted or deferred.

The U.S. is cosponsoring, with Denmark, an initiative to review the objectives and scope of the entire infrastructure program and establish new guidelines for the future. We foresee this study being carried out during 1990.

The NATO pipeline organization is formulating the scope of work for a study of military pipeline requirements in a post-CFE environment and how peacetime commercial use of these pipelines could offset NATO operating costs. The study should be contracted to industry this year. And, as I previously mentioned, defense ministers are likely to defer, for at least six months, any further infrastructure funding commitments for 1993 and beyond.

For the foreseeable future it would appear that there will be U.S. military forces in Europe—in smaller numbers, but nevertheless generating infrastructure requirements. It is also likely that there will be substantial committed U.S. reinforcing forces, although less than at the present time. These forces will also require infrastructure. The infrastructure requirements in Europe will probably be of a different nature—more restoration and modernization of 30- to 40-year old existing facilities and systems, less new work and changes in emphasis as a result of CFE.

Initial Defense Department analysis has identified eight areas that are candidates for NATO infrastructure funding in the 1990's. They are as follows:

One, an air command and control system (ACCS) to provide for integrated defensive, offensive and support combat air operations and replace the existing aging and obsolete NATO system.

Two, funding the modernization of civil works and electronic systems of the NATO airborne early warning and control (NAEW&C) system.

Three, expansion of the infrastructure reinforcement support category (RSC) to fund embarkation facilities in the continental United States.

Four, NATO common funding of operations and maintenance costs for reserve and storage facilities for wartime use in order to reduce U.S. O&M expenses and insure that infrastructure funded facilities can be properly utilized.

Five, funding for some CFE implementation costs including common-user verification systems and, possibly, destruction facilities.

Six, a precombat readiness category (PRC) to increase the readiness of residual inplace forces and reduce costly and environmentally harmful live exercises.

Seven, the relocation of the 401st Tactical Fighter Wing.

Eight, environmental compliance and cleanup.

I believe each of these areas, under any probable post-CFE scenario, there are requirements that should, in the best interest of the alliance and the U.S., be common-funded through the proven NATO infrastructure program. Even should some of these initiatives not be implemented, I believe that the remaining collectively will justify a continuation of the current level of infrastructure programming. I would be pleased to elaborate on any of these.

My immediate goal in discussing NATO infrastructure with you today is to gain your support for that portion of the President's fiscal year 1991 budget request, some $420 million, for the U.S. contribution to the NATO infrastructure program. I believe there is a demonstrated continuing need and infrastructure is the best way to meet it. We will spend the money wisely.

NATO INFRASTRUCTURE PROGRAM

Senator SASSER. Thank you very much, Mr. Wright.

I might say that the subcommittee has always supported the NATO Infrastructure Program because I think it is one of the finest, and probably the only, example of pure burdensharing between the allies.

Now we do have some questions regarding the future of the infrastructure program in the context of a very rapidly changing situation in Europe. We will submit these questions for your response for the record, due to the lateness of the hour.

Senator Grassley, do you have any questions of this witness?

Senator GRASSLEY. No; not at this point.

Senator SASSER. Thank you very much.

Mr. Wright, one question.

Has there been any reduction? You are testifying that there has been an increase in funding for NATO infrastructure, correct?

Mr. WRIGHT. Yes; Mr. Chairman.

Senator SASSER. Pursuant to the ministers' meeting in 1984?

Mr. WRIGHT. That's correct, a 5-percent per year increase.

Senator SASSER. So we are still going down the track of a 5-percent per year increase——

Mr. WRIGHT. Yes; we are.

Senator SASSER [continuing]. By all the NATO countries.

Mr. WRIGHT. That's correct.

Senator SASSER. Is there any indication that this is going to diminish—any official indication?

Mr. WRIGHT. No official indication whatsoever.

Senator SASSER. How about unofficial?

Mr. WRIGHT. Not that either.

I think that everybody is waiting to see what CFE does. But I think everyone in the alliance is of the opinion that infrastructure is the best burdensharing we have going. I do not think anyone wants to cast the first stone at it.

ADDITIONAL COMMITTEE QUESTIONS

Senator SASSER. All right. Thank you very much, Mr. Wright. We will submit questions for the record.

Mr. WRIGHT. Thank you, sir.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

ADDITIONAL COMMITTEE QUESTIONS

NATO QUESTIONS

Question. The Secretary of Defense has declared a moratorium on new military construction contracts through April 30. The NATO infrastructure program was not included in the Secretary's moratorium. Why?

Answer. A moratorium on infrastructure is not considered appropriate for several reasons:

a. The drawdown of in-place forces as a consequence of the changed threat in Europe does not necessarily result in substantially reduced requirements for infrastructure. Infrastructure is acquired for war-fighting, thus for reinforcing and in-place forces. Although total forces will decrease, the reduction for reinforcing forces is not foreseen to be nearly as great as the reduction for in-place. Additionally, new requirements are being generated (primarily by the CFE process) that are good candidates for infrastructure funding, e.g. common user verification systems and facilities. In other words, there is a continuing need for infrastructure.

Controls are being invoked to prevent expenditures for projects that might not be needed later.

—At the same time of authorization Major NATO Commanders [MNC] and the user must certify that projects are foreseen to be required in any probably post-CFE environment or else projects are deferred.

—Construction starts are also deferred or canceled when the MNC or user foresees the possibility that the project would not be required in a post-CFE environment.

Additional decision points are being introduced at which time continuation of project implementation can be reconsidered. Requests for construction funds are considered only when the project is ready for bid or award.

b. NATO infrastructure is recognized both by the U.S. Congress and the Alliance as the foremost burdensharing program. The United States is traditionally the strongest supporter of the infrastructure program. If the United States takes the lead in diminishing the most effective and visible burdensharing program, it will be more difficult to convince our allies to embark on new burdensharing initiatives.

c. We continue to get more out of infrastructure than we put in, approximately 40 percent return versus 27 percent contribution.

d. Coupled with the current Milcon moratorium, an infrastructure moratorium would have a devastating effect on the ability of United States European Command forces to meet facility requirements.

e. Right now we are receiving substantial authorizations for recoupments, mainly for the Army's Weapons Access Delay Systems (WADS). Later this year we should be authorizing recoupments for the Air Force's Weapons Storage and Security Systems (WS^3) and U.S. prefinancing or repairs to facilities necessitated by recent European wind storms.

f. If we stop the work of design and procurement agencies in 15 NATO nations, many will put NATO work aside and concentrate on the civil sector or nationally funded infrastructure. Restart will be considerably more time consuming and costly than the U.S. agents such as the Corps of Engineers and NAVFAC. We don't control the European agencies and, having seen their programs upset by a moratorium, they can be expected to resist any future efforts to make up for lost ground.

g. NATO nations, including the United States, expect Alliance decisions to be reached through a consensus. A moratorium on infrastructure can be expected to be opposed by most Alliance nations who feel strongly that most projects are vital and required in any post-CFE environment. In the absence of consensus the United States could invoke a moratorium only by refusing to continue paying into the program. No doubt this would be considered heavy-handed and probably cause repercussions in the ongoing debate on other NATO issues.

Question. $420 million has been requested for NATO infrastructure for fiscal year 1991. With the changes taking place in Europe; with increased warning times; and with reductions in Warsaw Pact and NATO forces, won't future requirements for NATO infrastructure be reduced?

Answer. It is too early to tell if future requirements for NATO infrastructure will be reduced. Indications thus far are that there will be significant reductions in certain types of infrastructure requirements, e.g., aircraft shelters and equipment/ammunition storage facilities, but increased or new requirements in other infrastructure areas (in some instances generated by the CFE process), and that the new requirements will offset in cost the reduced requirements. New requirements could include, inter alia, costs to transfer CFE Treaty Limited Equipment (TLE) from limited nations to those holding older less-capable equipment, destruction facilities for limited equipment not being transferred, common user verification systems (e.g., sensors, communications ADP and training equipment), additional facilities (particularly in the CONUS) to support the increased emphasis on reinforcing, compliance with increasingly stringent host and user nation environmental statutes, and modernization of the civil works and electronic systems of the NATO Airborne Early Warning and Control (NAEW&C) System.

It would appear that funding of the aforementioned new/increased requirements through the NATO infrastructure program is economically more advantageous to the United States than if we had to fund our portion of these requirements unilaterally or perhaps bilaterally with Less Developed Industry (LDI) nations (as in the case of CFE TLE transfer).

Additionally, an even increasing number of infrastructure funded facilities that will still be required post-CFE are 30 to 40 years old and in need of restoration and modernization.

Question. Can you assure us that the U.S. contribution to NATO infrastructure will not be utilized to support projects at bases that will be closed?

Answer. Procedures are now in place that are preventing, or at least minimizing to the greatest possible extent, expenditures on projects which will not be required post-CFE. These include:

a. Infrastructure Payments and Progress Committee (IPPC) approval for projects design or construction starts are dependent on certification (or recertification in the case of previously authorized projects) by both the Major NATO Commander (MNC) and the user nation that the need for the project is foreseen in any probably post-CFE environment.

b. Additional decision points have been introduced into the project implementation process in order to insure that certifications of need are current. For example, nations now normally have to approach the IPPC first for preliminary planning funds, then for design funds, and finally for construction moneys. Construction funds are authorized in yearly increments. Thus for projects whose implementation period is longer than a year, nations must return for additional authorizations. On each occasion revalidations are required in order to obtain an authorization.

c. SHAPE has invoked a deferral of all aircraft shelter projects, for in-place forces in the Northern, Central, and United Kingdom area; all aircraft shelters projects for reinforcing forces; all forward storage sites; and six command and control bunkers. The suspension of these projects will be reconsidered once the consequences of the CFE treaty (or treaties) on force levels are known.

d. The nations, including the United States, have developed internal procedures to identifying potentially negatory work and suspending its implementation. For example, the United States European Command has placed a hold on twenty United States user storage projects in the NATO Central region.

Although these procedures (and similar ones continually being introduced) cannot guarantee a total absence of expenditure on projects that NATO forces will no longer require, it is felt that they do reduce any such possibility to a minimum level—one that is ever present in both the U.S. Military Construction Program and the NATO infrastructure program even in periods of no change and thus an acceptable level.

Question. What is the United States current share of the NATO infrastructure program?

a. Our NATO allies have very strong economies. Why, then, shouldn't the United States seek a reduction in our share of the infrastructure program?

Answer. The United States currently contributes 27.8211 percent of that portion of the NATO infrastructure program (approximately 85 percent) funded by 14 nations, i.e., without the participation of France. The United States contributes 24.0629 percent of the Warning Installation category of infrastructure in which France participates. Overall United States cost share is then approximately 27 percent.

The United States cost share has been considerably higher, nearly 44 percent during the first years of the program, and has been reduced on several occasions. The United States cost share is expected to be further reduced with the entry of Spain into the infrastructure program, which is currently being negotiated. The overall United States share should then be approximately 25.5 percent.

Thus far two special programs have been agreed that have had the effect of further reducing U.S. contributions. The European Defense Improvement Plan (EDIP) is a program funded by the European nations, i.e., without the United States, for the construction of approximately $550 million of protective aircraft shelters and similar work, the majority of which is for U.S. forces. Although the United States contributes its normal approximately $135 million, program eases the U.S. financial burden as all funds are reserved for the usc of the United States for projects not normally eligible for infrastructure funding.

Cost share are not determined solely on the basis of the relative economic strengths of the nations, e.g. as measured by gross national product, otherwise the U.S. share would be closer to 50 percent. Other considerations include:

a. advantages each nation will obtain as a user of the facilities to be financed.

b. the net economic benefit (or costs) which will accrue to the host country from the construction of the facilities on its soil, and

c. the services rendered by each country to the common defense interests of the Alliance in other ways than infrastructure.

Most, if not all, nations believe for sundry reasons, that their infrastructure cost share is too high and would like to see their share reduced. Any such negotiations would be difficult and lengthy at best and unlikely to be successful from a U.S. viewpoint. It is felt that it is particularly inopportune now to enter into such potentially divisive negotiations as, at this time, the basis of the transatlantic Alliance itself is being reexamined.

The United States would appear to financially gain more by getting more U.S. projects funded by the infrastructure program rather than by reducing our cost share. This is an area where we continue to be particularly successful. For example, during the past two years we have gained infrastructure eligibility for the U.S. Army's Weapons Access Delay Systems (WADS) the U.S. Air Force's Weapons Storage and Security System (WS^3) and Apache Attack Helicopter support facilities. NATO is currently staffing U.S. proposal to make in-shelter aircraft refueling systems and contingency hospitals eligible. We are developing criteria and standards for the funding of embarkation facilities in the United States and the transfer and destruction of TLE as required by the CFE Treaty.

Question. Does the NATO infrastructure program have several hundred million dollars of unliquidated obligations?

a. Why can't we defer additional appropriations until those funds already in the pipeline are spent?

Answer. The NATO infrastructure program, per se, does not have unliquidated obligations. All nations, with the exception of the United States, obligate funds when they make their quarterly contributions, i.e., when the funds are required to pay contractors for performing work. The United States, however, obligates funds at the same time of the Infrastructure Payments and Progress Committee (IPPC) authorization of the project which normally predates the commencement of payments to contractors, and thus the call for contributions, by several months. Due to this U.S. practice and, more importantly, the former NATO practice of authorizing the entire estimated cost of a project design was only partially complete, and thus well in advance of expenditure, the United States has accumulated approximately $900 million of unliquidated obligations, i.e., authorized by the IPPC (obligated) but not yet paid in contributions (liquidated).

The U.S. unliquidated obligations are expected to decrease now that the IPPC has adopted the practice of delaying the authorization for construction until the project is ready to be bid and then providing the funds on an annual increment basis. Also the IPPC has begun to apply vigorously a Program Review Procedure (PRP) to delete, and thus deauthorize (deobligate), projects previously authorized but now no longer required due to changing military requirements.

As long as the United States continues to obligate at the time of authorization, however, there will always become unliquidated obligations due to the natural delay until the funds are actually spent. In theory the unliquidated obligations could be reduced to about three-quarters of a year's contributions, approximately $350 million, as there is about a nine-month lead time of authorization of a project until the mid-point of its first year of expenditures. In practice the figure would probably never be this low due to ever present unanticipated delays to projects' implementation and thus payment schedules.

It is probably reasonable to attempt to cut unliquidated obligations in half, i.e., to approximately $450 million, roughly equivalent to one year's appropriation. However, this can only be done over time (two to three years) as old projects with considerable unliquidated authorizations are completed, since it is considered unlikely that nations would be willing, and unreasonable that they should be asked, to offer up (deauthorize) funds not immediately required and then reapply for their authorization a few months later.

Unliquidated obligations cannot be utilized to fund new work. New obligation authority is required in order to undertake new projects and to provide the annual financial authorizations necessary to continue the deletion of those projects being incrementally funded. Some reduction in unliquidated obligations during fiscal year 1991 and thus the reestablishment of some obligation authority, has been taken into consideration when calculating the appropriation (new obligation authority) of $420 million requested.

Question. This Subcommittee has strongly supported utilizing NATO infrastructure funds to pay for embarkation facilities inside the United States. What progress is being made in this area?

Answer. Secretary Cheney introduced the concept of an expanded Reinforcement Support Category (RSC) to NATO Defense Ministers during the June 1989 Ministerial Meeting of the Defense Planning Committee (DPC). This concept foresees funding in sending nations, i.e., those providing the reinforcing forces, of (1) embarkation facilities such as airfields and port facilities, (2) forward movement support facilities such as transfer hardstands and equipment, and (3) storage facilities such as ammo holding pads.

The U.S. Atlantic Command (CINCLANT) and the U.S. Army Forces Command (FORSCOM) have thus far identified nine projects of this type, valued at $130 million, and located in six states. SACLANT has recommended in Slice 42 (1991) the largest project, a 3 km long rail/road trestle to connect piers with the mainland at the Naval Ammunition Station, Earle, New Jersey. The project is to be cost shared by the United States and NATO with each paying approximately $43 million. SACEUR is also expected to include at least one project of this type in its recommended Slice 42.

CINCLANT has commenced the preparation of criteria and standards applicable to this type of facility which should, when adopted, facilitate future programming.

Question. What is the Air Command and Control System?

Answer. The NATO Air Command and Control System (ACCS) is a joint program undertaken by NATO and the individual NATO nations to modernize air command and control systems with the aim of ensuring optimum utilization of all Alliance air resources. ACCS will consist of fixed and mobile automated command and control centers, sensors (e.g., radars), and communications networks, and will enable NATO military commanders to conduct integrated (defensive, offensive, and support) air mission operations. Additionally, ACCS will provide air control necessary to support required NATO flight training. ACCS will replace the existing aging and obsolete NATO Air Defense Ground Environment (NADGE) system.

Question. Is NATO infrastructure being utilized to pay for the ACCS?

Answer. The ACCS program is to be cost shared. NATO infrastructure funds would be provided for those portions of the system qualifying for NATO funding. The individual NATO nations would pay for those elements not qualifying for NATO funding.

Question. How much will NATO contribute to ACCS?

Answer. NATO infrastructure is expected to contribute about $250 million per year over the 12 to 15 year implementation period of ACCS. In addition, the individual nations' investments are expected to average about $350 million annually during that period.

Question. Why is NATO infrastructure a proper source of funding for the ACCS?

Answer. Air defense systems have been funded from the Warning Installations category of infrastructure from the early 1960's. The NATO portion of ACCS is a natural expansion (prompted by advancements in technology and operational concepts) of existing infrastructure criteria to include multiple sensor types, tactical operations centers, and interfaces to operational commands.

The NATO ACCS is considered to fall within the agreed definition of eligibility for Infrastructure, namely: (1) it consists of fixed and non-fixed installations; (2) it is essential to the implementation of NATO operational plans; and (3) it has a high degree of common use and interest.

Question. Are there currently production sharing formulas that serve to limit U.S. contractor participation in NATO high tech projects?

Answer. There is only one infrastructure production sharing program in being. In 1972 the nations agreed to production score and attempt to achieve national Minimum Production Quotas (MPQ's) for the NATO Integrated Communications Systems (NICS), consisting of a $1.2 billion NICS Stage I (now nearly complete) and a $1.9 billion NICS Enhancement Program (now underway). The U.S. MPQ was set at 38 percent, with 20 percent of the value of the program left unassigned and thus available to any nation. As a natural result of the international competitive bidding process, U.S. firms are projected to garner approximately 30 percent of the value of the program. There is no instance of this agreement restricting the opportunity of a U.S. firm to win a NICS procurement.

Question. Is the ACCS program going to be production shared?

Answer. There is no agreement to production share in the ACCS program. Although other nations, notably Canada and Germany, have made proposals for such production sharing, they have been resisted by the United States Mission to NATO. The Defense Department does not intend to agree to production share high technology programs in any manner that could reduce the expected return to U.S. industry.

Question. What would production sharing in the ACCS program mean to U.S. contractors?

Answer. Currently U.S. industry provides 60 to 70 percent of the air defense hardware that NATO purchases. In the absence of other factors, such as a significant increase in the value of the United States dollar vis-a-vis European currencies, this share of the NATO market is likely to be maintained as long as the agreed NATO competitive bidding procedures are utilized and restrictive production sharing is not agreed. Production sharing formulas proposed by other nations for the ACCS program would peg U.S. industry return to our share of the contributions to the program, roughly 24 percent. At current exchange rates this would result in an average annual loss of about $100 million to U.S. industry over the 12 to 15 year ACCS implementation period.

Question. Is NATO considering getting more directly involved in the efforts to combat terrorism and interdicting drugs? What impact will these efforts have on the infrastructure program?

Answer. It is premature to speculate as to whether the apparent new emphasis on the political, vice defense, direction of the Alliance will encompass such programs as combating terrorism and interdicting drugs. There is certainly the potential for greater international cooperation in these areas, and it could be argued that the "16" nation NATO Alliance provides an excellent forum for and the institutions to support such cooperation.

Should NATO involve itself in these areas there is likely to be common-user systems such as sensors, communications, ADP, and training systems that could be candidates for infrastructure funding.

Question. What is the status of the relocation of the 401st Tactical Fighter Wing from Spain to Crotone, Italy?

Answer. In December 1988 NATO Defense Ministers announced their intention to fund the relocation of the 401st TFW to Crotone, Italy, and Italy agreed to host the new base with the United States as tenant. All participating NATO member governments endorsed the move and continue to support it.

Since the 1988 agreement considerable effort has been expended by United States, Italian, and NATO personnel on the coordinating, planning, and design of Crotone Air Base. A base layout and boundary have been agreed to by all parties. Design is well advanced for many of the facilities.

Question. What is the current estimated cost of the relocation?

Answer. Based on the exchange rate in effect at the time of passage of the fiscal year 1990 Defense Authorization Act which restricted U.S. obligation or expenditures for Crotone at $360 million, the estimated total NATO infrastructure cost is $706.8 million. The U.S. share of the NATO cost would be $196.6 million. Additional U.S. costs include approximately $34 million for related facilities in Spain and Italy and approximately $89 million repayment for NATO constructed family housing, to be paid from service members' housing allowances over a 10 to 15 year period.

Costs are expected to fluctuate slightly over time as contract bid prices reflect inflation and exchange rate fluctuations.

Question. Has the land been secured by Italy?

Answer. NATO has authorized the funds for the purchase of the necessary land, that required in addition to the land being provided by the government of Italy at no cost to NATO or the United States on February 20, 1990, the Italian Minister of Defense signed the Decree of Expropriation for the first 465 hectares (1 hectare = 2.47 acres) of land for the operation portion of the base. Actual expropriation is underway.

Question. Have any contracts been signed for construction?

Answer. On April 24, 1990, bids were received for the first phase of construction at Crotone, consisting of airfield pavements at a bid price of $52 million. Italian sources have subsequently confirmed that the contract has been signed and that ground breaking and commencement of construction would occur early in July 1990.

Question. What is the current schedule for contract award?

Answer. Remaining construction contracts are scheduled to be awarded during 1991 and 1992. A few less critical facilities may not be ready for contract award until 1993. The base should be completed in the 1995/1996 timeframe.

Question. What are the current estimated land costs? Has the cost of land increased since the original estimate?

Answer. In April 1989 the Government of Italy requested NATO to authorize the equivalent of $45.25 million to purchase 1,281 hectares (3,165 acres) of land for Crotone Air Base. In June 1989 NATO agreed in principle to the request, however authorized only $30.46 million with the understanding that Italy and the United States user should attempt to reduce the quantity of land required by further optimizing land usage. Certain reductions were possible. However, additional previously unforeseen requirements for land have recently surfaced that would appear to result in a final total requirement for 1,325 hectares (3,274 acres). Reasons for the increase include: (1) the necessity to purchase complete parcels (or lots) as opposed to following exactly the intended base boundary; (2) requirement to relocate an existing highway; and (3) explosive safety clear zones.

The revised request has not yet been submitted to NATO for consideration; however it is expected to reflect the same unit costs of the original Italian request and thus be in the vicinity of $45 million. When subtracting the value of existing buildings on the land (which must be acquired and then demolished) the land cost is approximately $12,000 per acre.

The only previous official estimate of the cost for the land, provided by Italy to NATO in the fall of 1988, was for an amount equivalent to $45.61 million.

Land prices are set by the Italian provincial government based primarily on the use of the land and are not open to negotiation. There is the possibility that some landowners, speculating on the possibility that their land would be acquired, improved the use of their land and thus its value prior to the setting of values by the Government. Such improvements do not appear to be significant.

Question. Is there sufficient water in the area to accommodate the location of the 401st in the Crotone area?

Answer. Italian officials have assured us that there is sufficient water available to meet all the needs of the air base. The water which originates in nearby mountains is available at a water treatment plant in the town of Crotone approximately 10 km from the intended location of the base. A study is being conducted under the auspices of the Italian Government to determine if it would be more economical to pipe the water to the base or to sink wells at the base. There is known to be water beneath the base. Shallow wells there now provide water for irrigation purposes. Deeper wells may be able to satisfy the base's potable water requirements at a lower cost than the pipeline.

SUBCOMMITTEE RECESS

Senator SASSER. If there is nothing further, the subcommittee will stand in recess subject to the call of the Chair.

[Whereupon, at 12:05 p.m., Monday, March 26, the subcommittee was recessed, to reconvene subject to the call of the Chair.]

MILITARY CONSTRUCTION APPROPRIATIONS FOR FISCAL YEAR 1991

MONDAY, APRIL 2, 1990

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:40 a.m., in room SD-192, Dirksen Senate Office Building, Hon. Jim Sasser (chairman) presiding.

Present: Senators Sasser and Stevens.

DEPARTMENT OF DEFENSE

GUARD AND RESERVE COMPONENTS

DEPARTMENT OF THE AIR FORCE

NATIONAL GUARD BUREAU

STATEMENT OF LT. GEN. JOHN B. CONAWAY, CHIEF

OPENING REMARKS

Senator SASSER. The subcommittee will come to order.

This morning Senator Grassley, the distinguished ranking member, is in Iowa looking after his constituent business there. I am advised that we will be joined shortly by Senator Stevens, so we will proceed.

Today we welcome our witnesses from the National Guard and Reserve. It comes as no surprise, I am sure, to our witnesses to know that this committee has long been a strong supporter of the National Guard and the Reserve. We continue to believe that the Guard and Reserve provide the Nation with the best bang for the buck.

The Total Force concept I think has worked well. As the world and as budget realities change together, it is my view we are going to have to rely even more on our National Guard and our Reserve forces to preserve deterrence and maintain peace.

I think the Department's attitude in this regard has left something to be desired. Secretary Cheney's annual report to the Congress may have all the right words, but in it he says, "as potential threats change, National Guard and Reserve units are likely to become more important." And that is a statement I think this subcommittee would agree with.

But we find when the budget is submitted that the services, particularly the Army, are not doing, in our judgment or in my judgment, what they should do for the National Guard and the Reserve. They should not be permitted, I think, to stand idly by and believe that the Congress is going to let one guardsman or one reservist be cut for every active soldier. That is just not going to work, in my view.

In particular, the plan to cut 76,000 personnel from the Army Guard over the next few years should be reviewed, in my judgment.

Well, we are going to begin this morning with our Guard contingent. I want to welcome the Guard and Reserve leadership. We are especially pleased this morning to have with us the new chief of the National Guard Bureau, Lt. Gen. John Conaway. General Conaway has served in Washington with distinction, I might say, for a number of years. He is known as a leader with both integrity and vision and one who leads with vigor.

PREPARED STATEMENT

We are pleased to have you here this morning, General Conaway. We look forward to you being our leadoff witness this morning. You may proceed with your statement.

[The statement follows:]

STATEMENT OF LT. GEN. JOHN B. CONAWAY

INTRODUCTION

Mr. Chairman and Members of the Committee, I appreciate the opportunity to appear again before Committees of the Congress, this time as Chief of the National Guard Bureau. I was appointed as Chief in February and represent more than half a million members of the Army and Air National Guard. I thank you in their behalf for your continued support which has contributed to our many successes.

The National Guard today, both Army and Air, has evolved far beyond anything our forefathers could possibly have envisioned. We are our country's oldest military institution, and we're proud, prepared, and professional. We have worked hard to achieve our goals for 353 years. We are still involved in our states' local emergencies and disasters, but we also provide this great nation with an effective, reliable, and credible military force which is capable of deterring aggression against our country or its allies. We in the National Guard constitute a sizable percentage of our nation's defense capability.

Our military leaders of today are challenged by numerous concerns, but none more demanding than to achieve more with less while, at the same time, conserving available resources. Anxiety about international military threats is justified, but we must also be cognizant of economic, political, and social issues affecting national strategy. Our leaders today continually endeavor to find new, innovative ways of improving the Guard's service to our nation and states. To plan better for the impact of military, social, and economic influences on the Guard, we have adopted a proactive systems management approach to the future. The National Guard Bureau has established a long range planning process to focus on specific, short and long term productivity improvements. The Army and Air Directorates have been closely involved in future planning and productivity enhancement for several years. The results have been significant and have enabled us to develop planning methodology consistent throughout the National Guard. Many Members of Congress have already seen the product of National Guard long range plans in their states.

STATE MISSION

The National Guard continues to respond to requests from civil authorities for military support during times of emergency. In Fiscal Year (FY) 89, more than 14,500 Army and Air National Guard personnel from 49 states and territories expended more than 150,000 workdays responding to 53 natural disasters, four civil disorders, and 192 other domestic emergencies. The Guard participated in evacuation; security; and recovery missions following tornadoes, floods, hurricanes, earthquakes, snowstorms, and other natural disasters; and provided humanitarian assistance such as conducting search and rescue operations; evacuating critically ill or injured persons; supplying emergency power, communications, and potable water to stricken communities; providing emergency shelter and temporary housing for the homeless; providing security assistance; and supporting ground and airborne fire fighting operations. The citizen-soldiers of the National Guard stand ready to continue this proud tradition into the 1990s and the 21st century.

DRUG INTERDICTION AND COUNTER DRUG ACTIVITIES

During FY 89, the National Guard Bureau (NGB) continued and expanded drug interdiction and counter drug activities in support of local, state and federal law enforcement agencies. During the fiscal year, 53 of the states, territories, possessions and the District of Columbia utilized a total of 107,348 mandays in the execution of 1,811 separate support operations. It was not uncommon to have 2,000 volunteer National Guard members on duty on a given day. National Guard personnel were assigned duties that conformed, as nearly as possible, to their individual military occupational specialty. These duties included inspection of commercial cargo at land border entry points, seaports and international airports, and various aerial and ground reconnaissance/surveillance operations. The transport of law enforcement personnel and contraband, special training programs for law enforcement officers as well as National Guard personnel and numerous radar and imagery missions unique to National Guard capabilities were other support missions provided. Equipment used in these missions included various tactical ground transport and cargo vehicles, communications equipment, tactical radars, night vision devices, Army National Guard (ARNG) rotary wing aircraft (OH-6, OH-58, UH-1 and UH-60) and Army National Guard fixed wing aircraft (OV-1D, C-7, C-12 and U-21). Air National Guard (ANG) aircraft used were the RF-4C reconnaissance plane, C-12 and C-130 transports, and the KC-135 tanker.

The results of drug enforcement operations during which the National Guard provided support to local, state and federal law enforcement agencies during FY 89 were: Cash was confiscated in the amount of $1,735,745. Cultivated marijuana plants eradicated/destroyed totaled 4,076,662. Drugs seized were: processed marijuana pounds - 46,917; cocaine pounds - 10,887; heroin pounds - 39.5. Other property seized during support operations were: 95 vehicles (which includes air and watercraft), 111 weapons and 364,300 rounds of ammunition. The arrest of 859 individuals was a result of operations the National Guard supported. The street value of the drugs plus the cash confiscated reflects a net value of approximately $12 billion.

FEDERAL MISSION

As important as our service to state and local government is, we must remain ready for our principal mission which is to provide properly trained and equipped units, capable of being mobilized and conducting combat operations. U.S. vital interests are not limited by our national borders and we must continue to demonstrate resolve and the capability to protect our interests wherever they may be. For example, during "Operation Just Cause", the recent United States operation in Panama, Army and Air National Guard men and women were there. Ohio and South Dakota Air National Guard A-7s, part of the Coronet Cove rotation to Panama, flew 140 close air support sorties. Ninety-seven sorties were flown by seven Air National Guard C-130s from four Air National Guard units which airlifted 416 tons of cargo and 2,395 people; this included medical evacuation flights of injured soldiers, sailors, and airmen to medical facilities in Texas. Eighty-seven sorties consisting of movement of 931 people and 320 tons of cargo to Howard Air Force Base, Panama were flown by Mississippi Air National Guard C-141s. New York Air National Guard C-5s flew 49 sorties, airlifting 637 people and more than 1,000 tons of cargo. Also, a Military Police Company of the Missouri Army National Guard, conducting their annual training at the start of the Operation, was the only Military Police unit in Panama capable of processing Prisoners of War (POW). The Governor of Missouri approved a two week tour extension request so they could guard and process detainees. A Public Affairs Detachment of the Minnesota Army National Guard, also conducting annual training in Panama, provided support to the Southern Command (SOUTHCOM) Public Affairs Office to include coverage of the Operation and swearing in of President Endara.

DETERRENCE

In performing our federal mission, peacetime readiness, training, and education of the force remain key to our success. The policy of deterrence, or 'peace through strength', has served the nation well for over four decades and will continue to serve as the cornerstone of our defense strategy. Deterrence seeks to prevent conventional and nuclear attack on our nation or its allies by demonstrating that any threat launched against the United States or its allies will be dealt with swiftly and effectively. Deterrence can only work when both friend and adversary alike believe in our capability and resolve to use force, if necessary, to protect our national and allied interests.

For deterrence to be credible, we must demonstrate our capability in highly visible locations in concert with total force operations. National Guard soldiers and airmen must be fit to fight, indoctrinated in joint-military operations, trained in peacetime to use the equipment provided, and taught to sustain themselves in hostile environments. National Guard equipment must be state-of-the-art, compatible with its active component counterparts, and technologically superior to that of our adversaries. Training must be realistic, and conducted in those places where the U.S. military could be one day called to fight. On the battlefield of the future, Guardsmen will be called to serve alongside their regular Army and Air Force counterparts--and they will be no less vulnerable to the capabilities of the enemy. Therefore, Guardsmen must be trained in peacetime for the rigors of war. In view of this, the value of Army and Air Guard participation in varied locations both here at home and overseas contributes significantly to our ability to achieve wartime objectives.

TODAY'S NATIONAL GUARD

The contemporary National Guard is quite unlike the Guard at any time in its 353 year history. The Total Force policy of the seventies came to fruition in the eighties as National Guardmembers demonstrated that when given responsibility, backed by resources and training, the Guard could meet active Army and Air Force standards. Stressing three pillars of military professionalism: modernization, education, and training, Guard units today enjoy the highest readiness ratings in peacetime history. The eighties was a time to lay the foundation for the Guard's long-term effectiveness as a viable member of the Total Force. The 1990's will be the time to build upon this demonstrated record of achievement. We in the National Guard fully recognize that our service is essential to national security and that the American people are taking notice of our contributions. Today, for the first time in peacetime history, we are receiving the resources to permit us to fulfill our wartime missions. For this we are grateful. Although there still remain many shortages, the past several years have permitted us to improve our readiness posture.

The fact remains that the security of our nation is not cheap. Although reserve forces have proven to be cost-effective, strong active forces remain essential to our defense strategy. Both active and reserve forces must be fully integrated in training, equipment and systems. I believe today's National Guard is the best trained, best equipped, most capable and professional Guard in our nation's history. To maintain this readiness and newly developed capability, it is essential that the American people support continued modernization of the Guard, enhanced training initiatives and resources to maintain equipment in "go to war" condition.

PERSONNEL

RETENTION RATES

There are those who assert that training demands are forcing our soldiers and airmen out of the Guard. To this I offer an Air Guard retention rate of 89 percent and an Army Guard retention rate of 80 percent, thus today's National Guard tops all other Reserve Components in terms of retention. Our people are staying because they are trained effectively with good equipment. They are recognized for their service and have confidence in their leaders.

END STRENGTHS

At the close of FY 89, the Air National Guard exceeded programmed end strength figures.

The added requirements and missions assigned to the Air National Guard continue to require this force to grow. In FY 89, the ANG exceeded its recruiting goal for the year when it experienced a net gain of 840 members. The actual year end strength was 116,061 against an approved end strength of 115,200. An increasing proportion of this force consists of women and minorities. In FY 89, the Air National Guard gained more than 500 women and approximately 550 minorities raising their percentage of the force to 13 percent and 15 percent respectively. Despite the Air National Guard's continued success in achieving overall membership, it continues to experience difficulty in manning a few traditionally hard to fill or critical skill vacancies, such as Aircrew Operations, Tactical Air Command and Control, Munitions, Communications, and Electronics and Computer Systems.

FY 89 ARNG assigned strength of 456,960 was 99.9 percent of the end strength objective. This record accomplishment continues the trend of unprecedented year end strengths established over the past five years. The high officer strength of 50,112 was 101.6 percent of authorized and an even greater percentage of the objective. Officer gains of 1,896 more than offset the small net loss in enlisted strength which totaled 406,848, 99.7 percent of objective. Total end strength of 456,960 reflected a net gain of 1,778 over FY 88, and 97.5 percent of authorized.

Minority strength in the ARNG did not grow in relation with overall strength and ended the fiscal year at 111,973, 24.5 percent of total. Black officers at 2,962 comprised 5.9 percent of officer strength while enlisted personnel declined by more than 800 to end at 72,129 or 17.7 percent of enlisted strength.

Female strength rose to an unprecedented high this fiscal year. The opening of additional military occupational specialties to females in the ARNG provided an opportunity to fill additional requirements with female enlistees. During the year, a record number of 4,203 were recruited. There were 3,529 female officers, 26,468 enlisted personnel totalling 29,997, 6.6 percent of ARNG assigned strength at the end of FY 89, a net increase of 3,216.

FULL-TIME SUPPORT

Full-time support personnel provide the backbone for organizing, administering, recruiting and retaining, instructing and training in the Army and Air National Guard. The full-time support program provides a cadre of full-time personnel whose objective is to enhance and maintain the overall unit readiness. The program encompasses Active Guard/Reserve (AGR) personnel, National Guard Technicians, active component soldiers and airmen assigned to the National Guard, and Departments of the Army and Air Force civilians.

Program growth is the most critical full-time support issue facing the Guard today. Continued limitations on the projected expansion of the AGR force and the National Guard technician force threaten the overall readiness of the Guard. Regrettably, this condition persists during a period of historic and uncharted changes abroad, which will likely increase our strategic reliance on the readiness of the National Guard. We are in favor of replacing the Congressionally mandated technician ceiling with a technician floor. This would permit the flexibility for technician growth consistent with changing program requirements. We also need relief on grade level restrictions on the full-time AGR program so that career progressions of quality, professional guardsmen are not unduly constrained.

For the ARNG, growth in full-time support authorizations throughout the FY 88-89 timeframe has not kept pace with increased force structure and modernization conversions. The gap between what is required to support the existing force structure and what has been resourced is widening. We can no longer afford to field new missions like Hawk battalions, Mobile Army Support Hospitals and Military Intelligence units, as we're doing in FY 90, without adequate additional resources. We require 42,974 AGRs in FY 90 and support our units with only 26,164, a 16,810 shortfall. To compensate for this shortfall, the Army National Guard redistributed AGR authorizations from one state to another to ensure some minimal manning for all units. This was a partial fix to a shortage problem which can only be resolved with additional growth. The technical expertise provided by our technician force is paramount in our maintaining the highly sophisticated weapon systems being fielded in the Guard today. The AH-64 attack helicopter and the M1 Abrams tank are examples of state-of-the-art weapon systems requiring additional technician resources. The maintenance readiness posture may be adversely affected as we accept highly technical modern equipment without a corresponding increase in full-time manning.

The FY 91 budget for the ANG includes 361 fewer technicians, and 49 fewer AGR authorizations. Two hundred and twelve of this reduction is caused by the transfer of the Special Operations Mission at Harrisburg, Pennsylvania to the U.S. Special Operations Command budget.

Increased reliance on the Guard as a cost effective partner in the Total Force has grown dramatically in recent years. Full-time support is the cornerstone program upon which the strength of the Guard is ensured. This program is well conceived, implemented, and managed. Requirements are well documented and must be supported if the Guard is to continue to accomplish its expanded missions effectively at minimal cost.

INCENTIVE PROGRAMS/ENTITLEMENTS

Incentive programs are essential to keep National Guard service attractive. The Army Selected Reserve Incentive Program (SRIP) provides enlistment bonuses that may be either a $2,000 critical skill or $1,500 unit bonus. Additionally, the program offers the retention bonus, affiliation bonus, the Student Loan Repayment Program, and the Health Professionals Loan Repayment Program. Current authority for all of these programs except the Student Loan Repayment Program expires September 1992. Continuing authority for all these programs is essential in support of our recruiting and retention requirements.

The Montgomery GI Bill (MGIB) is a most valuable entitlement and provides benefits to our soldiers and airmen who are attending undergraduate college courses. The Montgomery GI Bill is further enhanced by changes which take effect in FY 91 to include the addition of vocational-technical training, flight training, correspondence and independent study, and the ability to use the benefits for undergraduate study after receiving a baccalaureate degree. The Veterans Administration reports 64,969 ARNG members and 18,782 ANG members are receiving benefits. Our participation is continuing to increase.

In addition to the MGIB, the National Guard offers incentives in the bonus and student loan repayment programs. These programs provide cash incentives and assistance in repaying qualified, federally insured student loans to members who enlist or reenlist in identified critical skills. Active duty guardsmen can participate in educational programs such as the Community College of the Air Force, College Level Examination Program (CLEP) and Defense Activity for Non-Traditional Education Support (DANTES) testing. These programs have proven to be effective tools for recruiting members. As retention tools, these programs save the Government substantial funds by reducing training costs associated with bringing new and untrained personnel into the Guard. Entitlements and incentives promote recruitment and retention of trained and experienced members, and must be continued.

EQUIPMENT

ARMY NATIONAL GUARD

Despite the reduction of procurement programs in recent years, equipment deliveries to the ARNG rose to $2.9 billion. This value represents a significant increase over the $2.7 billion delivered in FY 88, and can be attributed to continued modernization of ARNG combat units with new and displaced Army equipment and delivery of Dedicated Procurement Program equipment. The distributed equipment included such major systems as the M1 Abrams Tank, M60A3 Tank Thermal Sight Tank, Improved TOW Vehicle (ITV), M198 Howitzer, Battery Computer System (BCS), Chaparral, Heavy Expandable Mobility Tactical Truck (HEMTT) and High Mobility Multipurpose vehicles.

Surface Equipment-On-Hand readiness has reached record high levels as a result of these deliveries and inventory management efforts. Despite these gains, however, the ARNG remains short $6.9 billion of equipment. The most critical shortages are medium and heavy tactical wheeled vehicles, tactical communications equipment, and support items such as tools, test equipment, and fuel hauling equipment.

Although the ARNG is beginning to modernize its aging helicopter fleet, we are still faced with shortages that will impact negatively on force readiness into the late 1990s. These shortages exist in attack, utility, scout and heavy lift categories.

The ARNG continues to look at innovative ways to manage shortages in the ARNG utility helicopter fleet. The vast majority of the current fleet consists of over 1,100 Vietnam era UH-1H aircraft. These aircraft are serving extensive drug enforcement support missions in addition to tactical training employment.

AIR NATIONAL GUARD

Modernization of the Air National Guard is continuing. F-16s and F-15s are replacing older tactical and air defense fighters across the Air Guard. The Air National Guard supports the Air Force plan to enhance Close Air Support/Battlefield Air Interdiction capabilities. In the ANG's airlift force, congressionally directed C-130H procurement continues to retire the older C-130A/B aircraft. Additional C-141B strategic airlift assets are scheduled to enter the Air National Guard aircraft inventory during FY 91. The reassignment of additional KC-135 aircraft in FY 91 from the active component will provide the Air National Guard with a significant increase in capability for the air refueling tanker mission. Air National Guard modernization also includes new MH-60G aircraft at Air Rescue units and C-26A operational support aircraft at various locations.

Equipment modifications continue in every weapon system. It is imperative that these upgrades continue so that the Air National Guard combat capability can keep pace with changing missions and threats.

The obsolescence of Air National Guard combat communications and tactical control communications equipment continues to be an area of concern. About 40 percent of the equipment in these units is of early 1960's vintage which results in interoperability problems between US and allied forces. Our main objective is to upgrade all equipment from existing analog technology to state-of-the-art digital technology. However, the absence of any FY-90 monies has significantly impaired the progress our units were making in acquiring the needed equipment resulting in a decrease in readiness. The reduction of $107.1 million from the TRI-TAC program, approximately 70 percent of which is Air National Guard, has all but brought to a halt the slow modernization program that was in place. The Total Force situation becomes particularly aggravated when it is realized that about 70 percent of the Air Force's combat communications capability and 60 percent of the tactical control units are in the Air National Guard.

A major concern for the Air National Guard has been the consistent delay in obtaining spares and support equipment for the C-130H aircraft procured by congressional direction. C-130 spares and support equipment should be provisioned concurrently with aircraft procurement in order to ensure timely availability to support new aircraft missions. The resulting delays in obtaining this equipment has degraded our C-130 supportability posture. Separate funding for spares and support equipment should be provided when new aircraft are procured.

TRAINING THE NATIONAL GUARD

ARMY NATIONAL GUARD TRAINING AND EDUCATION

The multitude of training opportunities available today for our ARNG soldiers and units is key to providing realistic, mission-oriented training and improving readiness. The Professional Development Program, Key Personnel Upgrade Program (KPUP), Overseas Deployment Training (ODT), CAPSTONE, training at the National Training Center (NTC) and at the Joint Readiness Training Center (JRTC), Battle Command Training Program (BCTP) and the Joint Chiefs of Staff (JCS) exercises are vital to meeting the ARNG's mission to provide combat ready units in support of the total force and Unified Commander's missions.

RESERVE COMPONENT TRAINING STRATEGY

The Reserve Component Training Strategy provides continuous focus for improving training readiness. The Strategy follow-up efforts has produced a training development action plan which addresses 38 initiatives to enhance training in the five areas of soldier, leader and collective training, as well as training support and management. Skill Qualification Test upgrading and validation; enlisted and officer education systems; unit training aids, devices, simulations; and simulator acquisition are three significant issues. Department of the Army manages the program through semi-annual reviews and a General Officer Steering Committee to give priority focus to this important program.

KEY PERSONNEL UPGRADE PROGRAM (KPUP)

KPUP deploys soldiers to train one echelon above their current positions or at a facility with a large overall support mission. The training received during these deployments is reflected in the readiness and understanding of the soldiers as they return to their states. KPUP, a Branch/MOS enhancing program, strives to link soldiers to units within their CAPSTONE Trace, fostering the Total Army policy. Since 1981, approximately 37,000 ARNG soldiers have deployed to 92 locations within CONUS and trained in 27 countries supporting humanitarian and mobilization training.

OVERSEAS DEPLOYMENT TRAINING (ODT)

ODT provides Army National Guard (ARNG) units and unit cells the invaluable opportunity to train in their wartime theater of operations under their CAPSTONE gaining command. In addition to honing their warfighting skills, ODT participants familiarize themselves with their assigned area of operations and learn the operating procedures of their CAPSTONE affiliate. ODT also serves as an excellent mobilization planning and execution exercise for ARNG units. In FY 90, 23,000 Guardsmen are scheduled for ODT with about 25,000 programmed in FY 91.

THE NATIONAL TRAINING CENTER (NTC)

The NTC is the Army's premiere collective training center. It provides the most realistic mid to high intensity combat environment available in peacetime. Since 1983, twelve Army

National Guard roundout battalions have trained at the NTC. Current schedules call for four battalions in FY 90 and FY 91, and two battalions in FY 92. In addition, the ARNG takes advantage of the excellent training opportunity provided by the opposing forces at the NTC. For this mission the ARNG will provide fourteen companies in FY 90 and ten companies in FY 91.

THE JOINT READINESS TRAINING CENTER (JRTC)

The JRTC is the combat training center for low to mid intensity conflict, with primary emphasis on the Army's light, airborne, ranger, air assault, and conventional infantry forces. In 1989 two ARNG battalions participated in JRTC exercises. There is a single battalion rotation in FY 90 and two battalion rotations in FY 91. In addition, the ARNG takes advantage of the excellent training opportunity provided by the opposing forces at the JRTC. For this mission the ARNG will provide 2 companies in FY 90.

JOINT CHIEFS OF STAFF (JCS) EXERCISES

JCS exercises provide ARNG units the opportunity to train in a wartime like environment alongside elements of the Army, Navy, Air Force, and Marines. They allow the ARNG to showcase itself as a viable, effective fighting force in front of the other services. Participating soldiers improve their warfighting skills in a pressure-packed environment. JCS Exercises give ARNG leaders the chance to conduct mobilization planning and execution, and to evaluate unit war plan development and operating procedures. CAPSTONE associations are strengthened, and participating units familiarize themselves with their wartime missions and CAPSTONE theater of operations. JCS exercises allow all ARNG elements, combat, support, and combat service support to work together as they would in wartime. Currently 16 JCS exercises are scheduled for FY 90 and 16 for FY 91.

SPECIAL OPERATIONS FORCES (SOF)

In support of the Goldwater-Nichols Department of Defense Reorganization Act of 1986, the National Guard Bureau continues to emphasize revitalization of Army National Guard (ARNG) SOF. An ARNG SOF General Officer Steering Committee was formed and met for the first time in FY 89 to address improvements in the force. In FY 90, the ARNG plans to form an ARNG Special Forces (SF) MOS Qualification Task Force to address initiatives directed at improving the overall MOS qualification in ARNG SF units. Since activation of the Army Special Operations Command as a major command, the ARNG has been represented by an ARNG Major General in the position of Deputy Commanding General. Two ARNG Special Forces Groups and one Special Operations Aviation Battalion continue to participate in training during worldwide deployments in support of theater CINCs.

THE BATTLE COMMAND TRAINING PROGRAM (BCTP)

BCTP is a command post exercise that has been developed to fulfill the training needs of Corps and Division commanders and their staffs without the need for an entire Division participating in field exercises. This program develops and tests expertise at the operational level of war, command and control, decision-making, and effective staff procedures. It trains to tough, combat performance standards, thereby improving commander and staff combat readiness.

AVIATION TRAINING

The ARNG has two centralized Army Aviation Training Sites (AATS) which provide training of aviation skills unique to the ARNG. These sites, the Eastern and Western AATS, are located in Pennsylvania and Arizona, respectively.

In 1978, the ARNG began developing the concept of centralized ARNG AATS. The concept was based on an assumption that Active Component capabilities would be constrained in the 1980's and beyond. Experience through the mid-1980's has proven that assumption to be valid. The concept has been successfully implemented in both the Eastern and Western AATS.

The Eastern AATS is entering its' seventh year of training operations in FY 90 focusing on individual aviator qualification training in utility and cargo rotary aircraft as well as selected fixed wing aircraft. The Western AATS begins its' third year of 'limited' operations in FY 90 concentrating on attack and aeroscout rotary wing training. During FY 89, the AATS program trained 1,069 students, a number which will be equalled in FYs 90 and 91. Nearly 11,000 flying hours were executed in support of the student training during FY 89. Over 12,000 flying hours are programmed to support training activities during FY 90.

The Eastern AATS operates a regional UH-1H synthetic flight training system supporting Active Component, Army Reserve and Army National Guard aviators on a regional basis. Both training sites operate an AH1 (Cobra) Flight Weapons Simulator (AH-1 FWS) on a regional support basis. Over 28,000 hours of creditable aircrew flying hours were accomplished in these simulators during FY 89. That accomplishment will be surpassed as displaced AH-1 aircraft are fielded in ARNG units in FYs 90 and 91.

As resources become more constrained in FYs 90 and 91, the role of these training sites will become of greater importance. More emphasis on resource intensive training will occur to minimize the impact of possible reductions in flying hours, training time and limited availability of aviation compatible training areas in metropolitan areas. The ability of the AATS program to meet this role will be limited without the necessary full-time AGR personnel. The training capability of the Western AATS is currently constrained due to limitations on personnel growth. Moreover, the premobilization preparation of both sites to expand the Army's aviation training base upon mobilization will be adversely affected. These training sites serve as 'survival kits' for ARNG aviation and provide a pressure relief valve for the States so that unit level training missions can be accommodated at home station in the traditional guardsman role. Overall, ARNG aviator training will be improved and unit readiness will be enhanced by these training sites.

In FY 91 the ARNG will field two new generation UH-1 Flight Simulators to support ARNG aviation training requirements. The two cockpit device will be located at ARNG sites in Los Alamitos, California and Peoria, Illinois and provide regional support to Active Army, ARNG and Army Reserve aviators. The new devices are the result of a Grumman Electronics Contract for development of a prototype simulator based on new computer software language. This effort is the forerunner that will allow replacement of existing mainline computers, as well as split-out and redistribution of UH-1 simulator cockpits. Military construction for facilities to accommodate these simulators will be completed in late FY 90.

In FY 88, the first ARNG Apache Attack Helicopter Battalion in North Carolina was certified combat ready. In FY 89, a second ARNG Apache Attack Helicopter Battalion in South Carolina began training at home station and will deploy to Fort Hood for combat certification in FY 90. Battalions in both Florida and Utah begin home station training in FY 90. A unique feature of the Apache Battalions is that each requires 36 unit members to provide full-time support; however, with continued constrained growth in full-time manning, the aggregate shortage for the four Apache battalions will be 72 full-time personnel by FY 91.

The ARNG has established mandatory Night Vision Goggle (NVG) qualification for all ARNG helicopter pilots. All pilots are now NVG qualified during initial flight training at Fort Rucker, Alabama. In addition, NVG mission training in unit tactical tasks was mandated for specific positions identified by the unit commanders. More than 80 percent of all ARNG aviators are now NVG qualified, with more than 30 percent mission trained. The goal of the ARNG is to have 100 percent of our pilots NVG mission trained.

TRAINING SUPPORT

Limited training time, unit dispersion, constrained space for maneuvering units and for gunnery ranges create unique training problems for the ARNG. Many of these problems can be overcome through the innovative use of training devices, simulators, simulations, and a comprehensive development program for local training areas. Currently the ARNG is working with states such as Ohio, Maine, Kentucky and Nevada to provide land at no cost for unit maneuvers.

TRAINING SYSTEMS

To date, 5,300 Electronic Information Delivery Systems (EIDS) are being fielded along with 6,400 hours of courseware under development. EIDS is an interactive learning system with which individuals and small units will be able to learn and sustain military occupational job skills. The ARNG has continued fielding of the Multiple Integrated Laser Engagement System (MILES). Currently the ARNG has fielded three platoon sets per battalion and squadron.

The Guard Unit Armory Device, Fullcrew Interactive Simulations Trainer (GUARDFIST I) for M-1 Tank crews has reached the prototype stage with 10 devices being prepared for testing during FY 90. GUARDFIST II, a fire observatory trainer, continues under development with prototypes also scheduled for FY 90.

A Squad Engagement System (SETS) prototype currently being tested will provide for infantry training on fire control, fire distribution and junior leader training in an indoor environment. Precision Gunnery Training Systems (PGTS) for TOW and DRAGON antimissle systems, when fielded, will allow gunnery training indoors or outdoors at home stations.

REGIONAL TRAINING SITES

The Regional Training Site - Maintenance (RTS-MAINT) program provides centralized, regional hands-on training on current and force modernization systems. Individual transition level training and additional skill identifier (ASI) on force modernization equipment and sustainment training for designated military occupational specialities (MOS) is provided.

The Army National Guard has proponency for thirteen RTS-MAINT sites. Training programs have already been initiated at Fort Bragg, North Carolina; Camp Shelby, Mississippi; Fort Dix, New Jersey; Camp Dodge, Iowa; Camp Blanding, Florida; Camp Roberts, California; and Camp Custer, Michigan. RTS-MAINT sites are scheduled for activation at Camp Ripley, Minnesota; Gowen Field, Idaho; Nickell Barracks, Kansas; Fort Stewart, Georgia and

Jefferson City, Missouri in early FY 90. In FY 91 the final site is scheduled for Pearl City, Hawaii.

The New Jersey National Guard High Technology Training Center (NJHTTC), provides a training environment to conduct individual, small unit, and battle staff training using simulations, training devices and equipment end-items, so as to enhance proficiency in the weapons systems of the Army of Excellence, and the tactics applicable to the Airland Battle. The HTTC provides training seven days per week; twelve months of the year to personnel from throughout the East Coast including ARNG, USAR, USAF, Active Army, Marine Corps and Coast Guard as well as a host of civilian agencies. The NJHTTC includes a Regional Training Site - Maintenance (RTS-MAINT), a High Technology Training Center, a Training Technology Field Activity (TTFA), and a Range Training Support Activity (RTSA).

The Army National Guard has two Regional Training Sites-Medical (RTS-MED), one at Camp Shelby, Mississippi and one at Fort Indiantown Gap, Pennsylvania. These sites provide medical units with transition training on modernized medical equipment such as Deployable Medical Systems (DEPMEDS), sustainment training, and will have a prepared mission to provide emergency medical support to disaster areas. DEPMEDS training to Reserve Component units is of paramount importance as 70 percent of the Army's field medical support lies with RC units which will be trained at RTS-MEDS.

The Deployable Medical Systems (DEPMEDS) provides a functional modular system that serves as the building blocks for field hospitals to form complete operating rooms, laboratories, medical treatment clinics and ancillary services. DEPMEDS is housed in a Tent, Extendable, Modular, Personnel (TEMPER) and in International Standards Organization (ISO) shelters. These units are designed to be used in a variety of configurations to provide shelter and functional work areas for field medical support.

SPECIAL TRAINING SITES

Since 1986 the ARNG has trained at a fully operational and provisioned 'warm base' European Aviation Classification and Repair Activity Depot (AVCRAD) facility at Brussels, Belgium. This facility is manned by AGR and contractor personnel and will be used for the 1107th Missouri AVCRAD to deploy to upon mobilization. Currently, aviation maintenance personnel from the California, Connecticut and Missouri AVCRADS conduct Overseas Deployment Training at this site to enhance peacetime readiness.

In FY 89 the ARNG assumed management of a ground maintenance facility at the General Support Center, Kaiserslautern, Germany. Staffing consists of ARNG, USAR and Active Army personnel. This facility conducts maintenance on U.S. Army Europe (USAREUR) equipment plus serves as a 'hands on' training center for ARNG maintenance units. This Reserve Component Maintenance Training Facility enhances both USAREUR peacetime equipment readiness and the training readiness of ARNG Combat Service Support maintenance units.

TRAINING AREAS AND RANGES

The ARNG Range Modernization Program supports units by providing up-to-date weapons firing facilities and training areas close to their home station. The program is oriented to improve readiness by providing ranges for individual and crew qualification. It is also geared to cost-savings by developing, acquiring, and upgrading training areas which maximize training time while reducing operating costs. The range modernization program received over $17 million in FY 89 and is projected to increase to approximately $65 million for FY 90 through FY 92.

The initiatives support the development of training facilities and land to provide individual and collective training for all ARNG units at 71 ARNG Major Training Areas. Without these programs, ARNG units would spend valuable training time and funds traveling to and from distant active component training sites. Improvement of these areas with such facilities as computerized targets systems, modernized barracks, and educational buildings allows training to current Army standards required for mobilization.

MOBILIZATION TRAINING

The Army National Guard Mobilization and Deployment Exercise Program continued to receive emphasis as an essential element of verifying a units mission capability during FY 89. These exercises are progressive in nature and increasingly challenge the participants to realistically evaluate mobilization plans and execution requirements.

The ARNG Mobilization Exercise Program consists of four exercises designed to address all phases of the mobilization process. Three of these, the State Areas Command Exercise (STARCEX), the Mobilization and Deployment Readiness Exercise (MODRE), and the Readiness for Mobilization Exercise (REMOBE), are executed as comprehensive evaluations of unit mobilization plans, administrative procedures and personnel assigned.

The fourth, the Emergency Mobilization and Deployment Exercise (EMDREX), is an exercise designed to test the ability of selected high priority ARNG units to respond, prepare and depart for the mobilization station within 72 hours of federalization. This has become the cornerstone of the ARNG exercise program to insure that the first to mobilize achieve and sustain the required high level of preparedness.

The number of exercises conducted has increased since FY 84 from 400 exercises to over 900 in FY 89, while exercise funding has remained constant at about $12 million. This growth has been achieved by encouraging conduct of exercises in conjunction with inactive duty training periods and other mobilization related training events, rather than as separately funded exercises. The ARNG Exercise program growth has now leveled. Further expansion in the program, and the associated increase in ARNG mobilization preparedness, will be dependent upon additional funding.

In FY 89 the ARNG initiated a program to improve both the mobilization preparedness and readiness of selected high priority ARNG units. This program is specifically designed to improve the readiness of these units through equipment redistribution, recruiting and retention incentives and exercise training opportunities. These exercises test all phases of the mobilization process to include commercial loadout of unit equipment, movement to the mobilization station and an initial assessment of the units deployability.

FY 90 will see continued emphasis on exercising high priority force package units as well as improving the quality of exercises conducted. With the leveling off of funding, quality exercises are the only avenue for ensuring maximum results from time and dollars expended. Currently, as a result of budget constraints, exercise schedules have been curtailed to the point where lower priority units are unable to conduct all exercises required by regulation to meet minimum proficiency. FY 90-91 is an especially critical period, as the Headquarters, Department of the Army, CALL FORWARD series of exercises begins. It is essential that the ARNG be adequately funded to ensure full participation in this series. As the U.S. Army draws down, there will be continued reliance upon the mobilization capabilities of the ARNG, and the only way to assure this capability is through a fully funded, fully executed Mobilization Exercise Program.

CAREER DEVELOPMENT (PROFESSIONAL DEVELOPMENT PROGRAM)

The Army's ability to field a combat-ready force requires the development of leaders who can, on short notice, deploy, fight, and win. Army National Guard soldiers continue to receive training in resident courses on the latest tactics, doctrine and systems, thus reinforcing Military Occupational Specialty (MOS) skills and leadership abilities. The Noncommissioned Officer Education System (NCOES) is our primary means of meeting these requirements.

Effective October 1, 1987, the Reserve Component Noncommissioned Officer Education System (RC-NCOES) was revised to include Military Occupational Specialty (MOS) specific tasks as well as leadership training and battlefield survival skills. RC-NCOES now consists of three levels of career development training. These levels and the corresponding courses at each level are the primary level - the Basic Noncommissioned Officer Course (BNCOC), the advanced level - the Advanced Noncommissioned Officer Course (ANCOC), and the senior level - the United States Army Sergeants Major Course (SMC). The BNCOC and ANCOC have been developed for presentation in two phases (Phase I and Phase II). Phase I training consists of common leader training and the Phase II provides the MOS-specific training.

ARNG and United States Army Reserve Forces (USARF) Schools trained 24,000 soldiers in PLDC, Phase I of BNCOC, and Phase I of ANCOC in fiscal year 1989. The total number of soldiers requiring training is expected to increase somewhat for the next three years as implementation of Phase II, MOS-specific courses begins.

The Operations and Training Division is currently developing a plan to implement the Phase II, MOS-specific training. The Majority of courseware is projected to be completed during FY 90, and barring budget constraints the program should be on-line in FY 91.

Additionally, soldiers continue to be trained at the Reserve Component Tank Commanders Course (RCTCC). This course prepares ARNG NCOs and officers for the duty position of tank commanders in a tank armor company or Cavalry troop. Attendees programmed to attend through FY 91 remain consistent with the number of soldiers trained in FY 89. Expanded training will be provided to include the M60A3 and M1 Abrams Tanks beginning in FY 90.

The ARNG NCO Battle Skills Course (BSC) was developed to sustain combat skills. BSC provides training in the technical and tactical employment of infantry squad, platoon weapons, live fire exercises, and the use of supporting battlefield survival techniques. The National Guard trained 526 soldiers during FY 89, and FY 90 and 91 objectives are similar.

The Professional Development Program began on May 1, 1984. This is an aggressive program to train the AGR workforce to the same standards as their active component counterparts. Military technicians were included in the program on March 7, 1985. Although several modifications have been made to the enlisted military technician requirements, the program remains viable. Full-time support personnel are a valuable, integral element of the unit they support. They are instrumental in developing improved unit readiness, quicker deployability, and leadership in their units. Participation in the program ensures the Army National Guard full-time force will continue to provide the elements of competency expected of a professional soldier and assures continued improved readiness throughout the Army Guard.

SAFETY

In FY 89, the ARNG Safety and Occupational Health Program made significant strides in accident prevention. Overall Class A through C ground accidents were down by 30 percent, fatalities were down by 16 percent, privately owned vehicle (POV) accidents were 7 percent less when compared to FY 88 totals. The aviation Class A accident rate was 2.20 per 100,000 flying hours with the Class A through C rate being 7.56, as contrasted to 2.09 and 8.03 Army-wide, respectively. Significant accident reductions in ground and POV incidents were the direct result of specially targeted campaigns aimed at key task errors. The ARNG implemented the Hazard Communications Program in accordance with Public Law and DoD policy, thereby successfully fulfilling the employee 'right to know' mandate. Future accident reduction initiatives will further improve combat readiness by avoiding the cost of needless accidents.

AIR NATIONAL GUARD TRAINING AND EDUCATION

The Air National Guard continues to maintain its high level of combat readiness while preparing for the challenges of the 1990s through its training and education initiatives. Air Force formal technical training schools, in conjunction with unit-level on-the-job training programs, provide Guard members with the skills necessary to perform their wartime taskings as an equal partner in the Total Force.

The Air National Guard is now testing innovative new training approaches, such as the Consolidated Training Office Concept and the Total Training Management System, which will improve the quality of training while making the most cost-effective use of available resources. These programs will provide for skill development of ANG members through combinations of formal training and practical experience which will qualify them to perform more effectively in their duty positions in the coming years.

In conjunction with these technical training programs, formal education programs, both military and civilian, will provide ANG members with the management, leadership, and technical skills necessary to take us into the next decade. Our education programs will allow us to meet the challenges of dwindling resources, changes in the perceived threat, increasingly sophisticated systems, and a decreasing pool of qualified potential enlistees.

As one way of meeting these future challenges, the Air National Guard has embarked on a program to expand the opportunities for professional military education for its noncommissioned officers through increased in-residence attendance at the Senior NCO Academy, NCO Academies, NCO Leadership Schools, and NCO Preparatory Courses. In addition, our educational opportunities and programs continue to make a significant contribution in the broad areas of recruiting, retention and morale. Since every facet of our society places an increasing emphasis on formal education, our education programs, both military and civilian, often enhance our members civilian skills as well as their military skills, thus benefiting society as a whole.

Because of our members' dual roles as citizen-airmen, our members occasionally find it difficult to attend training programs on a full-time basis. The Air National Guard has therefore developed several short courses of one to two weeks duration which are designed to increase Guardsmen's skills in their military specialties as well as in the broad areas of leadership, management, and systems.

With the increasing defense role we anticipate the ANG to assume over the coming decade, we believe it is imperative to continue providing the military personnel resources (currently costing approximately $60 million annually) necessary to pay for these school days. These programs not only meet the needs of the Air National Guard and its members, they also ensure that a ready, cost-effective force will be available to meet any contingency.

The Air National Guard is currently undergoing several upgrades in the quality of simulator assets for our Tactical Fighter forces. The F-16 simulator program has developed with emphasis placed on the Replacement Training Units (RTUs) at Tucson, Arizona, McConnell Air Force Base, Kansas, and Kingsley Field, Oregon. Cost and the heavy demand of the ANG RTUs has driven the placement of these advanced assets at the locations where the training aircrew can derive the most benefit. Due to the advances in technology, much of the operational unit training can be accomplished by using training devices that are cost effective and less manpower and maintenance intensive. As a result, older generation simulators are being upgraded or phased out of the inventory. The Cockpit Procedures Trainer (CPT) programmed for all the F-16 Air Defense Fighter (ADF) units is just one example of this. Another is the Part Task Trainer (PTT) that is now in procurement for our General Purpose F-16 units and our F-15 units. The PTT will allow our traditional Air National Guard pilots to improve and refresh essential skills required by today's technologically complex aircraft. Both the CPT and PTT will significantly improve the quality of aircrew training at the unit level and greatly reduce the financial costs of that training. While the ANG is moving toward fewer simulators in the tactical fighter units, the acquisition of high quality CPTs and PTTs will continue to allow the force to receive the highest quality training available.

The ANG operates four old C-130 simulators at different locations throughout the U.S. which train our aircrews from 19 tactical airlift units. These simulators support over 450 aircrews in annual refresher programs. Working together with Headquarters, Air Force Reserve (AFRES) and Headquarters, Military Airlift Command (MAC), the ANG has negotiated the transfer of a state-of-the-art C-130 Weapons System Trainer (WST) from MAC. The WST will be used to support a Guard and Reserve western training center at Minneapolis/St. Paul Airport and will train approximately 400 aircrews annually. This trainer along with an eastern training center, will ultimately train over 800 Guard and Reserve Component aircrews. In addition to the C-130 simulator training, the ANG contracts for civilian commercial simulator training for the KC-135 and mission support aircraft aircrews. These civilian contractors provide a safe, cost-effective means of training aircrews when no military capability exists.

The Air National Guard made substantial gains in the area of medical readiness capability during FY 89. Some of the more significant advances were made in the completion of medical readiness training. The placement of the Survivable Collective Protection System - Medical (SCPS-M) was completed at the Combat Readiness Training Center located at the Phelps Collins Air National Guard Base, Alpena, Michigan. This SCPS-M medical training facility allows the Air National Guard medical units, deploying to Alpena for annual training, to accomplish all aspects of continuing medical readiness training. Previously, this type of training has been the responsibility of the active force to instruct. This capability, now in place at Alpena, will be offered to Air Force Reserve medical units with mobilization tasking and will be made available to the active force should the need arise.

The opportunity to participate in medical readiness training exercises worldwide was extended to several ANG medical and aeromedical evacuation units. Medical exercise involvement offers excellent opportunities to sharpen wartime medical skills.

As a full partner in the Total Force, the Air National Guard is an active participant in overseas deployments, joint training exercises and a wide range of Air Force and ANG sponsored Composite Force Training exercises. Participation in overseas deployments enables entire units to integrate into wartime-tasked theater operations throughout the world. Multi-unit deployments can reduce per unit deployment costs and are used whenever tasking permits. Joint training exercises improve readiness through the development of multi-unit, multi-mission tactics and have greatly increased the combat capability of ANG units.

ANG Fighter, Reconnaissance, Interceptor and Tactical Air Support units deploy to overseas locations under Tactical Air Command's Checkered Flag deployments program and in support of theater exercises. Theater exercises such as Display Determination, Dragon Hammer and Bright Star provide realistic, high threat scenario training by accomplishing predetermined exercise objectives and goals. Small scale overseas deployments such as Creek Corsair and Creek Thunderbolt permit advanced theater employment training for ANG aircrews in the Central European area.

Composite Force Training exercises are sponsored by the Air Force, the Air National Guard, Combat Readiness Training Centers (CRTCs) and individual units and occur throughout the year. These intensive, cost-effective activities continually upgrade the combat capabilities of ANG flying and support units. These exercises provide realistic training across the complete spectrum of ANG missions; their regional nature makes them ideal for participation by deployed or home station units. The ANG provides support for Army training, both active and reserve components, through the ANG Exercises and Deployments Program. Exercises such as those conducted at the National Training Center at Fort Irwin, California, the Joint Readiness Training Center at Fort Chaffee, Arkansas and Apache Helicopter training at Fort Hood, Texas, provide excellent joint force training to Army and Air National Guard units while expanding and refining joint tactics.

ANG KC-135 units support Strategic Air Command day to day alert and operational requirements worldwide in addition to training to meet wartime requirements. The KC-135 units deploy in support of U.S. Air Forces, Europe and Pacific Air Forces air refueling requirements. The goal of the ANG in these operations is to combine the highest quality air refueling support of European and Pacific tactical forces with intensive training in Europe and Pacific theater tactics for its aircrews and supporting personnel. Conventional task units are deploying to overseas training locations on a three year cycle.

There is considerable emphasis within the Federal Aviation Administration and the Department of Defense to better manage the airspace used by the military. Airspace is a precious national resource which must be shared by numerous users with diverse needs. Environmental factors must be thoroughly assessed and negative impacts minimized. As a result, the process of managing airspace is growing more complex.

The Air National Guard has begun development of a Long Range Airspace Plan. Proposals for new airspace and modifications to existing airspace are being developed to meet the needs of new weapon systems and missions. Fully coordinated with appropriate state agencies, the FAA, major command airspace managers, and the Air Staff, the process includes initiatives to improve scheduling effectiveness and a pro-active approach to solving environmental issues.

The Air National Guard currently operates one Air Combat Maneuvering Instrumentation (ACMI) range, and fifteen air-to-ground gunnery ranges. ACMI capability will soon be available at three additional ANG locations. The Air National Guard recently completed an ANG Master Range Plan that focused on our current range capabilities and current/projected user requirements. All ANG Fighter, Attack, and Reconnaissance units were surveyed to further identify the ANG's most pressing long range air-to-ground and air-to-air training range requirements. The ANG report identified needed improvement areas for existing ranges, and evaluated/prioritized several initiatives to construct new air-to-ground ranges. The Air National Guard is now working the process to implement the recommendations of this in-depth study.

The Air National Guard conducts officer and enlisted aircrew flying training through a combination of active Air Force, ANG, AFRES, and home station training programs. Fighter programs are conducted in F-16, A-7, RF-4 and F-4 aircraft at ANG schools. F-15 and A-10 programs are conducted using active USAF and AFRES schools. OA-37 training is conducted with ANG home station assets. Airlift programs are conducted at ANG and active USAF facilities, while formal tanker training relies solely on active USAF assets.

ANG schools located at McConnell Air Force Base, Kansas and Tucson, Arizona conduct F-16A training programs for ANG and AFRES students. Beginning in FY 90, the ANG will begin an innovative program of training Royal Netherlands Air Force pilots at the facility in Tucson. McConnell will phase out the remainder of ANG F-4 training during this fiscal year. Boise, Idaho remains in the RF-4 training business with the important new role of training active USAF aircrews beginning in the second half of FY 90. Air Defense training is conducted at the ANG school located at Kingsley Field, Oregon. F-16 pilots bound for the Air Defense version of the F-16A may receive training at the ANG schools in Tucson and McConnell until the current conversion schedule allows Kingsley to absorb the entire load of Air Defense training. A-7 training takes place at Tucson, Arizona. Tucson will retain the task of training both F-16 and A-7 pilots until the A-7 leaves the inventory.

The ANG conducts advanced tactical airlift training at the Advanced Airlift Tactical Training Center (AATTC), St. Joseph, Missouri. AATTC trains ANG, reserve, active duty, Marine, and foreign military crews in advanced combat tactics. Attendance at this school is highly sought by all potential users. The ANG also conducts C-130 initial qualification flight training at the 189th Tactical Air Group, Little Rock Air Force Base, Arkansas. The

189th receives students from across the spectrum of those completing academic and simulator training in the active duty school at Little Rock, Arkansas.

Each year, ANG communications personnel from joint communications support squadrons, combat communications groups, communications flights and engineering installation squadrons participate in numerous exercises around the world. During FY 89, over 2,000 communicators participated in over 20 exercises in the Pacific, Caribbean, South America, Middle East and European theaters. These exercises, conducted under a wide variety of circumstances and conditions, ensure our communications personnel are ready to meet their wartime commitments.

ANG C-130 units deploy overseas for exercise participation, scheduled rotations, Special Assignment Airlift Missions (SAAM), airlift in support of Guard unit deployments, USAF airlift augmentation missions and under the Volant Partner deployments program. In FY 89, four different units participated in Europe through JCS exercises and European augmentations. Also, four units participated in the Pacific Theater. All twenty ANG C-130 units can also expect to provide airlift for overseas deployment, employment and redeployment of other DOD personnel and materials throughout the year. Finally, Air National Guard C-130s rotate to Howard Air Force Base, Panama, in support of Southern Command forces.

The 27 ANG tactical control units are all worldwide wartime tasked. In order to successfully interface with other U.S. and allied existing tactical radar assets, it is vital that we deploy our units to various theater training locations. ANG tactical control units are also playing an increasing role in the Drug Interdiction program.

In addition to the Tactical Airlift C-130 units within the Air National Guard, the 193rd Special Operations Group at Harrisburg, Pennsylvania operates the EC-130E aircraft. This is the only special operations unit in the ANG. This unit participates in over thirteen scheduled exercises annually and in contingency deployments worldwide.

The ANG provides combat and peacetime rescue coverage with two active rescue units. Capabilities include worldwide deployment and theater search and rescue. Units currently deploy aircraft to the Pacific and European theaters to participate in alert missions at Keflavik, Iceland and to perform air refueling training with active duty rescue units throughout both theaters. A third Air Rescue unit will activate in Alaska in April 1990. This unit will take over the responsibility for search and rescue within the Alaskan theater when the current active duty unit deactivates.

The ANG unit at Schenectady, New York provides airlift support to the U.S. Navy Space and Warfare Systems Command's activities on the sea ice north of Greenland and to National Science Foundation sponsored American and European scientific camps on the Greenland icecap. This unit possesses a unique national resource as it has four of eleven snow ski-equipped C-130 aircraft in the Department of Defense. Additionally, the unit provides an extreme cold weather airlift capability throughout the Arctic and also has become increasingly involved in assisting the National Science Foundation in Antarctica by working with the U.S. Navy and providing airlift in support of the United States Antarctic program.

ANG Strategic airlifters support worldwide Military Airlift Command (MAC) requirements throughout the year. C-141 Starlifters and C-5 Galaxy aircraft support MAC by hauling routine and contingency cargo requirements. This support includes missions flown in JCS exercises, Special Assignment Airlift Missions, and on channel missions. These aircraft also provide invaluable support to Army and Air Guard units deploying to training locations throughout the world.

ANG assets are continually requested for exercise participation. The factors of funding constraints, workdays allocation, personnel availability, and airlift limit the exercise program to its current level of participation for the foreseeable future.

MOBILIZATION AND READINESS

The Army National Guard resource and training levels improved overall by 2.43 percent in FY 89. This increase is attributed to a 5 percent improvement in equipment on hand and a 4 percent improvement in equipment condition. Continued use of the Equipment Analysis Program, Dedicated Procurement Program, and intensive management of ARNG units and assets have been key elements in these equipment resource area improvements. However, due to funding constraints, overall improvements in the ARNG during FY 89 were not as significant as the 22 percent improvement achieved between FY 86/FY 89.

Due to shifting demographics, personnel category levels had a slight fluctuation during the past fiscal year, but by the October 1989 Unit Status Report, there was 1.27 percent improvement in personnel. To offset any negative demographic trend, NGB has taken aggressive action to manage sustainment of the current force structure, which includes considerations for restationing units to States that can better support force structure with personnel. Additionally, increased emphasis has been placed on maximizing unit training and enhancing training levels which are critical to maintaining the Army National Guard's force capability within the Total Army.

Based on these initiatives, the Director, Army National Guard has set specific mobilization readiness objectives for resourcing high priority units, reinforcing the "first to fight, first to be resourced" concept. Bringing all units in a C4 or C5 status to a C3 status on projected dates will require increases in ARNG resources and training levels for these units.

Overall, the ARNG is in a better posture than in any previous period; however, with slowing of force modernization, sustainment and continued improvements in the ARNG readiness posture requires emphasis on acquiring additional resources from Headquarters, Department of the Army and Congress.

NGB MANAGEMENT/UNITED STATES PROPERTY AND FISCAL OFFICES (USPFO)

The Army and Air National Guard budget for 1989 exceeded eight and one half billion dollars exclusive of major items of equipment, which are acquired by the Guard through Army and Air Force acquisition procedures. The Chief, National Guard Bureau exercises his responsibility for management of federal resources and accounting for Federal funds provided to State National Guards through a United States Property and Fiscal Officer (USPFO) located in each state and territory. USPFOs account for an Army and Air Guard equipment inventory valued at over

$51,800,000,000 and a facilities inventory valued at approximately $20,800,000,000. The National Guard executes contracting actions involving in excess of $787,137,000 of Federal funds. The majority of these actions involve contracts of $25,000 or less but the bulk of the dollars are represented by a relatively smaller number of large Architectural/Engineering and construction contracts. During FY 89 the National Guard Bureau took on a modernization and upgrade of its in-house procurement workforce and continues in FY 90 to pursue more efficient and effective procurement offices throughout the 54 states and territories. This modernization has allowed the National Guard to achieve success in providing opportunities to small, disadvantaged and minority businesses while still maintaining an extremely high level of competition:

NGB '89 RECORD

	DOD GOALS	ATTAINED GOALS
Small Business Set-Aside	52.7%	58.1%
Small Disadvantaged Business Prime Contracting (8(a)) and Direct)	6.3%	7.7%
Women-Owned Small Business	$9.M	$9.6M
Contract Competition Goal	91%	95.9%

USPFOs are routinely inspected by auditors and Army Inspectors General with highly commendable results. The over 570,000 Army and Air Guardsmen are paid and supported through the exceptional performance of our USPFOs and their professional staffs. This unique federal/state relationship is an example of efficient management of a large and dynamic organization in a cost effective manner. However, the National Guard Bureau is concerned about the ability of the USPFOs to meet their responsibilities when current personnel resources only permit a nationwide average manning of less than 85 percent of requirements and at the same time National Guard roles and missions continue to expand. In addition, because of low federal pay scales, in some geographical areas it has become virtually impossible to retain employees who are trained, skilled and experienced in those functions essential to USPFO responsibilities.

FACILITIES

With significant Army National Guard force structure changes over the past 10 years as well as increased wartime missions, modernization of supporting facilities becomes a vital part of total readiness. Policies developed to provide adequate and functional facilities and infrastructure must, at a minimum, maintain the existing inventory and invest in a logical and prudent revitalization construction program. Through such revitalization efforts, the statement is also being made to the State and local communities as well as to our Guard members that the Army recognizes a commitment to the citizen-soldier by investing in modern facilities where they work and train. In return, such investments have high paybacks in improved morale, productivity, recruiting and retention, as well as improved warfighting readiness.

Current funding levels available to the Army, including the Army National Guard, have fallen short in both areas. The backlog of construction needs continue to grow in spite of Congressional assistance to acquire additional facilities beyond those requested in the annual Military Construction programs. Training ranges and regional centers, logistical and maintenance facilities for new weapon systems and armories for more intensive home station training to support the expanded missions are more complex and more costly to construct and maintain than in the past. The facilities required for aviation training, larger unit maneuver and weapons firing ranges must be compatible with the surrounding environment and available for year round use. Expansion of the local training area concept is a necessity to maximize training opportunities while reducing materiel operating costs. The enacted fiscal year 1990 Military Construction Program provides $223.49 million for constructing or up-grading these facilities. The accelerated rate of new facility construction over the past three fiscal years has considerably outpaced Real Property Maintenance (RPM) funding levels. RPM funding requirements will continue to increase proportionately. Degradation of not only older facilities, but also recently constructed facilities, will continue, if current levels of RPM funding are maintained.

Aircraft conversions, new missions and unit relocations have increased the need to replace or upgrade facilities at Air National Guard installations. Maintenance and repair resources dedicated to pavements and aircraft support facilities are not keeping pace with the more demanding criteria of newer series aircraft. Also, recently enacted environmental legislation will require a substantial increase in military construction funding to replace a significant portion of existing underground fuel storage tanks.

RESERVE COMPONENT AUTOMATION SYSTEM (RCAS)

The Reserve Component Automation System (RCAS) has been the subject of a continuing high level of Congressional interest and guidance. The Chief, National Guard Bureau is responsible for the RCAS by Congressional direction. The system will automate the data needed to mobilize the ARNG and the Army Reserve. It is crucial in improving the Reserve Component mobilization capability. In addition, the RCAS will substantially increase the efficiency of peacetime management of the Guard and Reserve. A Request for Proposals incorporating the Functional Description was formally released to industry on December 29, 1989. Proposals are due on April 30, 1990. The RCAS contract will be awarded after completion of a competitive demonstration and formal source selection. The Chief, National Guard Bureau is the Source Selection Authority.

The RCAS Program Management Office coordinated over 13,000 person days of effort with representatives from the Army National Guard, Army Reserve and Active Army to produce the Congressionally-mandated comprehensive functional description for the RCAS. Industry reviewed the draft functional description and its responses indicated the program is within industry capabilities. The RCAS program is achieving the objectives directed by Congress and we are managing resources in accordance with Congressional direction.

HUMAN RESOURCES

One of the National Guard's top priorities now and in the future is human resources. Our goal is a well trained, well equipped, and cohesive National Guard which is essential to the defense of our nation. Our personnel are entitled to serve in an environment that uses their talents, develops their potential, and recognizes their achievements. Our strong commitment to our members and their families must instill the highest sense of pride in themselves, their work, their uniform, and the National Guard mission.

To attain these goals, we strive to attract people with ability, dedication, and capacity for growth. We try to improve morale and productivity through visible and active command programs of equal opportunity and safety that exist as an integral part of the readiness of the National Guard and reflect the demographic mix of a state in that state's National Guard by using innovative methods to recruit, train, retain, and promote our military members, technicians, and civilian employees. We provide opportunity for upward mobility to leadership and management positions within the National Guard and make the National Guard a leader in the fair, equitable and nondiscriminatory treatment of all its members and employees. We strive to establish an environment that recognizes people as its most important resource, an environment that encourages teamwork and constructive working relationships, and employs the best available management practices, techniques and tools for the continuous pursuit of excellence, and enhance the members' military and civilian job performance by fostering cooperative relations between the National Guard and civilian employers.

SUMMARY

Americans and the Congress are placing their treasure and trust in the National Guard because they know an investment in the Guard is an investment in their future. This reliance in the Guard is what we have always wanted -- and the resources provided by the Congress permit us to accomplish our mission and provide our nation with a dedicated force of citizen-soldiers. Not everyone can serve in today's Guard since the demands are extraordinary. For those who do serve, however, we owe them the finest training and best equipment possible to assure their success. The National Guard has done everything our national leadership and the Congress have asked it to. We continue to assume increased missions, both federal and state, and we place immense demands on our citizen-soldiers. Our soldiers and airmen are expected to be prepared to mobilize, deploy and fight with little or no additional training or preparation -- more than we've ever asked of any generation of Guard members in the past. Yes, the Guard is a national security bargain but only if it can fight and win. The Guard has admirably demonstrated its capability to fight and win when properly trained and adequately resourced. The men and women of the National Guard fully deserve your support.

SUMMARY STATEMENT OF LT. GEN. JOHN CONAWAY

General CONAWAY. Thank you very much, Mr. Chairman and your staff and other members who will be here. It is a real pleasure for me to be here this morning. Thank you for those kind words on my behalf. I hope that I can live up to those, to lead the National Guard into this interesting, exciting time of the decade of the 1990's, to hopefully have the National Guard postured for the next century.

You and Senator Stevens and members of this committee played a major role in where the National Guard is in our readiness today, and that is no secret. We appreciate that.

I represent the more than 575,000 men and women today who are members of the Army and the Air National Guard. I might add, while saying that, that we are currently at an all-time high in strength, which is very interesting as we are looking at possibly restructuring our forces.

Recruiting is superb, retention is superb. We have lots of people that still want to serve, and, as we are tightening up our belts and active component strengths are being tightened, a lot of those youngsters who want to serve that cannot find billets on active duty are coming to the National Guard and Reserve. The other reserve components here, our good colleagues and friends, will speak for themselves, but I think they are all doing very well in strength right now too.

It is a very unique situation for us. We were expecting a great shortage of 17- to 21-year-olds to recruit in the 1990's, and I guess if our total defense strength had stayed up in the high levels that it was, we may all be competing for a smaller resource. But with the potential of active duty strength coming down and the smaller numbers needed, it looks like that may not be the major problem we first thought it was.

We have a good 6 months of recruiting yet ahead of us; April 1 to September 30 are always when most of the National Guard units make their strength. We are already there, and we have that 6 months to come. So I think that speaks well.

Today I can also say there are 1,500 National Guard men and women on duty in counter-narcotics operations on our borders, some outside the continental United States, doing exercises today. You would have been thrilled, I think, if you could have been with me 1 month or so ago. I landed on the island of Grand Inagua in the southern Bahamas to see an Air National Guard tactical control radar blocking the windward pass, so to speak, with its radar unit from both ships, boats, and aircraft coming between Cuba and Haiti, doing a counter-narcotics operation.

The Knoxville tactical control unit participates in that, takes their annual rotation, and they act as a deterrent and have actually cut down the amount of narcotics that are being shipped through that pass.

Last year, I might add, was a very heavy year for State missions for the National Guard, starting with the Exxon oilspill, where guardsmen were called out, and going all the way through Hurricane Hugo, the devastation of that, to the earthquakes of California, to the Sioux City, IA, aircraft crash and to civil disturbances. Not since the late 1960's and early 1970's have National Guard men and women been called out to the degree that they were in 1989—over 249 involuntary callups last year of the National Guard.

So that remains the No. 1 priority for us in the 1990's. Our No. 2 priority, right with it, is counter-narcotics and our role in interdiction and eradication. And another mission that we are very heavy into is nation-building exercises outside the continental United States.

So to be here this morning representing these people with these missions is an honor. Today I have Brig. Gen. Billy Navas, the Deputy Director of the Army National Guard, with me, who is a

Puerto Rico National Guardsman, and Brig. Gen. Don Shepperd, the Assistant Director for the Air National Guard, who was the F-15 wing commander at Otis Air National Guard Base in Massachusetts in the air defense role.

I basically can take your questions, and these two can take the answers. We will help you in that way. So I will stop there and thank you and Senator Stevens for your great support in making the National Guard the great combat-ready force that it is today in the United States.

OPENING REMARKS OF SENATOR TED STEVENS

Senator SASSER. Thank you, General Conaway. We have been joined by Senator Stevens, and I would ask Senator Stevens if he has any opening comments he wishes to make at this time.

Senator STEVENS. Mr. Chairman, no. I welcome General Conaway and all of his colleagues. I think in the time ahead of us we are going to have to pay even more attention to the Guard structure to make certain we have the facilities that you need and the people you need to provide the support for our total military system that you should be able to deliver.

I particularly do, though, want to commend the Guard for its role in the recovery from the *Exxon Valdez* disaster in Prince William Sound. I did visit that disaster twice with General Schaefer, and he and his people and your overall structure were very helpful.

I am glad to be with you, Mr. Chairman.

Senator SASSER. Thank you very much, Senator Stevens.

General Conaway, I might note that the budget that Secretary Cheney and the Department of Defense presented to us will increase funding for specific overseas projects for the active services by 22 percent. The same budget will increase funding for the defense agencies for construction by 53 percent. It increases the cost of base closures by 83 percent. It does all this while at the same time it cuts the Army and Air Guard by more than 70 percent on their various projects.

As I said at the outset, this subcommittee has a great deal of confidence in our Guard and Reserve components across the board in all the services, and I would ask you this morning, and each of your colleagues, if we in this subcommittee restore as much of the cut made to your military construction budget by the military services and by the Department of Defense, will you be in a position to move forward then and execute these projects, if we do restore the funding?

General CONAWAY. Yes, we could execute those. Could I make one comment on your statement?

Senator SASSER. Yes.

General CONAWAY. Obviously, you know, we were not for the cuts that took place with the National Guard military construction budget, Army and Air. We got in a dilemma when they got ready to make cuts to all the defense agencies that the National Guard participate and take some of that cut, and yet they did not want to get to our force structure, our day-to-day operations or force structure.

And you are very limited, unfortunately, when you get to Guard and Reserve accounts in the building. We do not have the big procurement accounts, and the big R&D accounts and all of that. So you can either get to military personnel, you can get to O&M, the op tempo, or you can get to military construction and that is it. And they opted to take military construction money and not impact structure for this year.

So that was, I think, the rationale and we would have preferred none but that was what they did to our cuts. But we could execute.

Senator **Sasser**. Before moving along any further, do any other of our witnesses have a statement here or a brief comment they would like to make today by way of an opening statement?

DEPARTMENT OF THE ARMY

STATEMENT OF BRIG. GEN. ROGER C. BULTMAN, DEPUTY CHIEF, ARMY RESERVE, OFFICE OF THE CHIEF

SUMMARY STATEMENT

General **Bultman**. Mr. Chairman and members of the committee, I am Gen. Roger Bultman, and I am representing the Army Reserve.

I must tell you that I am grateful for the opportunity to tell the committee that, on behalf of the over 322,000 soldiers who are in units in the Army Reserve, plus about an equal number who are Individual Ready Reservists, we appreciate the work and the effort this committee has done in support of the Army Reserve, and also to present the military construction program that we have submitted for the fiscal year 1991 budget.

As we enter the 1990's, the Army Reserve and other parts of the Total Army, are confronted with unprecedented changes in the world. I think these changes have produced a climate that requires us to do a fresh analysis of the size, the structure, the mix, the missions, and the stationing of our defense forces.

In today's environment, it is imperative that the Army Reserve be properly equipped and housed as well as provided with adequate training facilities. Our effort in our 1991 budget is to ensure that we find those things that are essential.

The 1991 budget appropriation request will support 14 projects for us. Of those 14 projects, 5 are either Army or armed forces reserve centers, 7 are major alterations or expansions, and 2 are regional training sites that are very, very critical to both the Army Reserve and our brethren in the National Guard because they help decentralize training. We are building one medical and one maintenance regional training site this year.

We selected all our projects based on the needs, the missions of the units, the troop activity schedules, and, of course, the general contribution of the units. Consequently, the ones that we picked and funded for this year are not critical projects.

Yes; there were some cuts in the 1991 budget, and, as you requested, sir, I can tell you that, if they were added back we could fund them and we could execute them. We have most of the projects at 65 percent design or better, and we should be able to move out with those if they were added back.

The total cost of the projects that we do have in the 1991 budget for the Army Reserve is $59.3 million. I just wanted to present the highlights, especially our good execution record and the fact that we will execute our program this year. Yes; we will execute more if it is added back into the program.

PREPARED STATEMENT

I thank you, Mr. Chairman. This concludes my statement, and I really appreciate the opportunity to provide these remarks to you and Senator Stevens. Thank you very much, sir.

Senator SASSER. Thank you very much, General Bultman.

[The statement follows:]

STATEMENT OF BRIG. GEN. ROGER C. BULTMAN

Mr. Chairman and Members of the Committee: I am grateful for this opportunity to present the Army Reserve's military construction program for fiscal year 1991 and to request the appropriation for its execution. On behalf of over 322,000 Selected Reserve soldiers and a nearly equal number of Individual Ready Reservists of the Army Reserve, I want to once again express our appreciation for the continuing support this committee has provided for our construction program.

As we enter the 1990's, both the Army Reserve and the Total Army of which it is a part are confronted with unprecedented changes in the world and strategic defense requirements. These changes have produced a climate that requires a fresh analysis of the size, structure, mix, mission, and stationing of defense forces worldwide. Although the analysis is not complete, it is certain that we will see a smaller Army that may well be more confined to American territory. This will undoubtedly necessitate corresponding changes in the Army Reserve and the role it plays in the Total Force, particularly in providing support units and rounding out the active force. This should make maintaining high standards of readiness ever more challenging. Given the reductions in Army Reserve personnel that have occurred as a result of fiscal constraints, and considering the further reduction that potentially could be imposed by future Gramm-Rudman-Hollings cuts, it is all the more essential that we keep our reserve force highly trained and effective. In today's environment it is imperative that the Army Reserve be properly equipped and adequately housed as well as be provided with adequate training facilities to ensure that it is fully prepared to meet all foreseeable contingencies.

Every attempt is being made to capitalize on those benefits that may be derived from a declining force. Careful consideration is being given to possible increased Army Reserve use of active component facilities designated for realignment and closure. Some savings may be realized from earlier projected construction requirements that could reduce somewhat the $2.3 billion construction backlog. It may also be possible to reduce the number of leased facilities acquired when full funding for construction of required Government-owned facilities was unavailable. In any event, we are looking closely at all of our requirements and carefully reassessing them in light of a rapidly changing world.

Nevertheless, it is unlikely that our construction program can be significantly curtailed in the near term. This is true for several reasons:

First, facilities are needed to accommodate the growth of the Army's Selected Reserve from 185,000 to 322,000 that has already occurred over the last 10 years. These additional 137,000 soldiers train by and large in centers that existed prior to their recruitment, a situation that creates intolerable conditions of overcrowding and inefficient operation. At last assessment, the Army Reserve had acquired but 53 percent of its facility requirement. Because the utilization rate of USAR facilities stands at 200 percent, any decreases in strength may improve this figure only slightly.

Second, facilities will be needed to store and maintain all equipment redistributed to reserve forces as a result of troop and equipment draw downs overseas. The Army Reserve is well positioned to measurably benefit from such a redistribution. Access to modern equipment of the kind to be employed in event of an emergency will improve both the training environment and the state of readiness of many of our Army Reserve troop program units. However, this can be accomplished only if we ensure that these units have the necessary capacity to adequately store, maintain, and utilize the additional equipment to full advantage.

Third, facilities are and will continue to be needed in those areas of the Nation experiencing population growth rather than decline. While some active component facilities might be converted for reserve component use, these facilities tend to be located where land is plentiful. Reserve facilities need to be located where people are plentiful.

Additionally, construction funds are needed to renovate or replace buildings which have come to the end of their useful life or are functionally obsolete. Due to a shortage of military construction dollars, in order to meet mission requirements, we find ourselves in the position of having to use Operation and Maintenance funds in the Real Property Maintenance account to keep these old buildings functioning. Having to spend these funds on those old buildings and on leases has the direct effect of causing our backlog of maintenance and repair to rise beyond a manageable level.

We realize that we cannot rehabilitate or build new facilities everywhere at one time and that some inefficiencies and crowding will continue, but we must continue our efforts to improve the physical plant to the best of our ability because of the critical role facilities play in the retention and training of Reserve soldiers who serve to enhance the wartime readiness of the Army.

We have crafted the construction program that we present today for your consideration in the context of severely constrained resources. It will not, therefore, meet all of our needs, but it will enable us to address a few of the very highest priority projects designed to expand and modernize the U.S. Army Reserve physical plant.

Current year program.—The execution record of the Military Construction, Army Reserve (MCAR) program is among the best in the Department of Defense. We have made plans which we anticipate will allow us to execute the fiscal year 1990 program this same fiscal year once the current moratorium is lifted.

Fiscal year 1991 request.—The fiscal year 1991 appropriation request will support execution of 14 major construction projects including 4 new Army Reserve centers, 7 major alterations or expansions, 2 regional training sites (1 medical and 1 maintenance), and 1 Armed Forces reserve center.

We selected and ranked the projects based on need, the mission of units supported, troop activation schedules, and the general contribution of each project to the readiness of the Army Reserve. All projects are at or above 65 percent design, and we envision no difficulty in awarding all during fiscal year 1991.

The appropriation required for these major construction projects is $52.3 million. Minor construction projects and planning and design funds are specified respectively at $2.25 million and $4.8 million. The grand total cost of the projects contained in this appropriation request is $59.3 million.

Conclusion.—Mr. Chairman, this concludes my statement. We greatly appreciate the committee's continuing interest in and support of the construction requirements of the Army Reserve. I am now prepared to answer any questions you may have.

DEPARTMENT OF THE AIR FORCE

AIR FORCE RESERVE

STATEMENT OF GEN. JOHN J. CLOSNER, DEPUTY TO THE CHIEF OF AIR FORCE RESERVE, WASHINGTON, DC

SUMMARY STATEMENT

Senator **SASSER**. General Closner, do you have any remarks on behalf of the Air Force?

General **CLOSNER**. Yes, sir; I do. This is my first appearance before the subcommittee.

Senator **SASSER**. Welcome before the subcommittee.

General **CLOSNER**. It is wonderful to be in Washington these days. It is an exciting time as far as the budget process goes.

The Air Force Reserve fiscal year 1991 military construction program is modest and is certainly executable. It is a balanced submission considering the decreasing defense dollars, total Milcon requirements and a growing Milcon backlog.

Sometimes we are so excited about trying to provide the facilities for our new weapons systems we really neglect our infrastructure and our current missions requirements.

As you know, we are operating state-of-the-art equipment which requires adequate and timely constructed facilities which have been provided.

Sometimes as I say, we have neglected in the process the heating and air-conditioning systems and certainly the less glamorous sewer systems that we all have to live with.

I am pleased to report that our fiscal year 1988 and prior year Milcon programs have been fully executed, and the fiscal year 1988–89 programs were some of our largest Milcon requirement years because of new mission programs.

Execution of the fiscal year 1990 Milcon program is well underway with 2 of 18 projects awarded and 12 additional projects out for bids.

The DOD construction moratorium has caused short-term execution delays involving three projects. However, we do not see any long-term major impact of the moratorium on our current program at this time.

As I said, we have a modest program, $37.7 million requested. We anticipate no difficulty in executing these projects, and at this point I believe it is important to highlight a couple of facts. Our fiscal year 1990 appropriation was 35 percent less than our fiscal year 1989 Milcon appropriation. Further, our fiscal year 1991 project request is 18 percent less than our fiscal year 1990 appropriation, and that adds up to a net reduction of 53 percent from our fiscal year 1989 program considering both years.

And, sir, I think in the interest of time I will just leave it at that. I would also comment that we have demonstrated great capability in our fiscal year 1988 and 1989 Milcon programs. We executed in the neighborhood of three times as much as we are requesting this year, so we also have the capability to execute a larger program.

PREPARED STATEMENT

I thank you for the opportunity to be here.

Senator **Sasser**. Thank you very much, General Closner. We hope you retain your enthusiasm for Washington in the coming days and weeks.

[The statement follows:]

Statement of Gen. John J. Closner

Mr. Chairman and members of the committee: This is my first appearance before you and I am honored to be here. It is my pleasure to present the Air Force Reserve fiscal year 1991 Military Construction Program (Milcon) budget request, and request the necessary authorization and appropriation for program execution.

Our fiscal year 1991 Milcon request is a balanced submission considering decreasing defense dollars, total Milcon requirements and a growing Milcon backlog. The requested funding is urgently needed to support a dynamic and ready Air Force Reserve. As you know, we are now operating state-of-the-art equipment which requires adequate and timely constructed facilities. Also, we are working hard to upgrade our existing physical plant to support our increasing readiness requirements. With a decreasing funding level and an aging physical plant, our Milcon backlog continues to grow. So, with adequate funding, we can pay now. The alternative is to delay and allow prices to increase and pay double or triple later.

I would like to take a few moments to share with you the status of our force, progress we have made the past year, some of our operational achievements, impacts of the proposed base realignment and closure initiatives, and several of the many challenges the Air Force Reserve will be faced with in the future.

MANPOWER

As the members of this committee are aware, the Air Force Reserve has experienced significant mission growth over the past decade and a half. You have made this possible by providing the end-strength required to meet the associated wartime and contingency tasking responsibilities.

Air Force Selected Reserve end-strength has consistently grown over the past 16 years. Total growth was approximately 65 percent between 1970 and 1989. We are recruiting to an end strength of 84,900 in fiscal year 1990, up 1,700 from fiscal year 1989. As this growth has occurred, however, the number of full-time support personnel necessary to support the Air Force Reserve has declined from 25 to 18 percent of the Selected Reserve. Our full-time work force of civilians, Air Reserve Technicians (ART), regular Air Force assigned to the Air Force Reserve, and Reservists on Statutory Tours of active duty, finds itself increasingly stretched to meet the ever expanding management requirements of our units, especially with regard to readiness. As our wartime requirements continue to grow, our management structure must be able to meet the increasing requirement. We ask for your support in this critical area.

EQUIPMENT MODERNIZATION

The primary goal of the Air Force Reserve is to train and sustain a superior combat ready force prepared to augment the Regular Air Force during emergencies, contingencies and wartime. Today, the Air Force is making great strides by providing our flying units with some of the newest, state-of-the-art aircraft in America's arsenal. The support Congress has given the Air Force has made these modernization efforts possible. We will do everything possible to ensure that the capabilities of these weapon systems are fully exploited.

We will continue to upgrade our tactical fighter force during fiscal year 1991 with the conversion of our last two F-4 units to F-16's. Our units at Carswell AFB and Bergstrom AFB, Texas will convert to the F-16A/B in late fiscal year 1991.

The continuing F-16 modernization of our tactical fighter force brings a corresponding challenge to the Reserve as we prepare to meet the anticipated threat well into the 21st century. We must now address the midlife upgrade of this aircraft while ensuring commonality with the Regular Air Force, the Air National Guard, and our allies. We coordinate our efforts with the Regular Air Force and NAT0 as an active member of the Multi-national Fighter Program.

Continued Congressional support for the modernization of the Air Reserve Component is greatly appreciated. This support was manifested in a number of ways in fiscal year 1989. Among them were the appropriation of funds for two new C-130H aircraft to complete the modernization of the 910th Tactical Airlift Group, Youngstown Municipal Airport, 0hio. We also appreciate the funds to initiate an Air Force-wide upgrade and improvement to the F-100 engines used in the Air Force Reserve's older F-16 aircraft.

OPERATIONAL ACHIEVEMENTS

The Air Force Reserve continues to make outstanding contributions to the Military Airlift Command (MAC) worldwide airlift system. No matter where the United States Air Force flies, from Antarctica to Africa, from Iceland to Panama, the Air Force Reserve is ready and is there.

In fiscal year 1989, our part-time airlifters flew over 63,600 hours in direct support of MAC's operations around the world. This included exercise support missions, Joint Airborne/Air Transportability Training and Special Assignment Airlift Missions, as well as normal channel cargo missions.

The Air Force Reserve responded to both military and civilian search and rescue requests including support for the space shuttle, medical evacuations, strip-alert and incidents involving aircraft, ships, motor vehicles and personnel on foot. All three rescue units and our helicopter-equipped special operations unit flew 309 hours in 66 missions and were credited with 28 life saves/assists.

In 1989, the Air Force Reserve showed it could deploy rapidly and efficiently, and fight side-by-side with our active duty counterparts. This was evident in the major role we played in the recent Panama contingency operation, Just Cause, which shows there is no lack of volunteerism among Reservists. Our support covered a broad spectrum of combat and supporting activity including strategic and tactical airlift, aerial refueling, aeromedical evacuation, gunship surveillance and interdiction, and base operating support. Reserve associate crews were on the strategic airlift C-141's that air dropped the initial forces into Panama, and they were on the tankers that supported them. Our unit equipped C-5 and C-141 units flew airland missions to Panama as well as supporting Conus airland requirements, while our tactical C-130's provided airland support within Panama. Reserve AC-130 gunships were in Panama when Just Cause began, and they were responsible for destroying several significant targets during the operations. Our aeromedical crews flew on the C-141's that brought casualties out of Panama, and our ground support personnel helped recover and generate these and other airlift aircraft. The Panama operation was an excellent example of how our Total Force Policy can work to support a short-notice contingency operation without the need for a formal mobilization of reserve personnel.

Additionally, in September of last year, the Air Force Reserve was called upon to provide airlift support of the southeast after Hurricane Hugo. We flew 26 airlift missions as well as 44 weather reconnaissance and aerial spray sorties which covered one-half million acres in South Carolina during Hugo.

In October, the Air Force Reserve flew five missions carrying 149 tons of cargo and 97 people to California in support to the San Francisco earthquake relief effort.

We also participated in the humanitarian response to the Armenian earthquake with four strategic airlift missions. Two each C-141 and C-5 missions carried a total of 212 tons of equipment/supplies and 147 passengers.

We supported the national drug interdiction program with aerial surveillance, air transportation, and technical support, with willing volunteers. Our 71st Special Operations Squadron assists law enforcement agencies on request with helicopter transportation, surveillance, communications support, and actual training of personnel to use night vision equipment and clandestine tactics. Reserve intelligence personnel have provided extensive support to NORAD, assisting them in activating their counter narcotics Tactical Intelligence Cell. Reservists from a variety of units dedicated over 1,100 days of active duty to this project that will enhance NORAD's ability to support these sensitive operations.

We are actively seeking ways to assist in the fight against illegal drugs. Each of our unit commanders has been tasked to offer recommendations as to how his/her unit could help in this fight. We will eagerly offer any and/or all assets that we have to authorized agencies requesting/requiring our assistance.

UNIQUE RESERVE MISSIONS

The Air Force Reserve has several unique missions. We provide 100 percent of the DOD fixed-wing, large area aerial spray capability. We will also assume, during fiscal year 1991, 100 percent of the weather reconnaissance capability. Last year, we flew reconnaissance during Hurricane Hugo as well as during other less severe storms. Additionally, along with the Air National Guard, we provide 100 percent of the Air Force augmentation to the airborne firefighting capability of the U.S. Forest Service with our Mobile Aerial Fire Fighting Systems.

PROGRAM CHANGES

The effect of the Department of Defense-wide Base Closure program on our people is location dependent. The Air Force Reserve is working with Air Force management to minimize Reserve personnel turbulence and adverse impact on unit mission readiness.

BASE REALIGNMENT AND CLOSURE, ROUND I

As this Committee was briefed last year, the Air Force Reserve is impacted at 3 of the 5 Air Force Bases recommended for closure. All impacts are being worked with the Air Staff.

Norton AFB, California (445th Military Airlift Wing-Associate), 48 C-141's.—The Air Force Reserve personnel will move with 12 C-141's to McChord AFB, Washington. Milcon requirements covered by the DOD Milcon fund for base closure totals $1.15 million. Air Force Reserve support units will move to March AFB, California. Current construction requirements total $9.20 million. This amount is subject to change as the ongoing planning process continues.

Mather AFB, California (940 Aerial Refueling Group), 10 KC-135's (8 currently, 2 additional aircraft in fiscal year 1990/4).—The report recommends our unit remain at Mather if local authorities elect to operate Mather as an airfield. Negotiations/discussions are incomplete on a final Reserve unit cantonment area. The base closure Milcon fund will cover $2.80 million of construction requirements. However, this amount may not be sufficient if additional construction requirements are needed based on a final agreed upon cantonment area.

Chanute AFB, Illinois (912 Civil Engineering Squadron).—The fiscal year 1990 Civil Engineering Training Facility project is no longer required in that the squadron will be deactivated and the manpower authorizations reallocated to other existing squadrons.

Base closure, round II.—This round of candidate bases for closure/reductions will have no major impact on the Air Force Reserve fiscal year 1991 Milcon program although we have several projects on bases included in the candidate list. Current plans allow the Air Force Reserve to maintain present operations on these installations. All aspects of the selections will be fully addressed during the forthcoming Environmental Impact Analysis process.

MILITARY CONSTRUCTION

Prior year execution.—I am pleased to report, all fiscal year 1988 and prior year Milcon projects/programs are fully executed. In the fiscal year 1989 program, 31 of 34 projects are awarded, an execution rate of 91 percent and the second consecutive highest execution rate in Air Force Reserve history. The three remaining projects will be awarded this fiscal year.

Current year execution.—Executing the fiscal year 1990 Milcon program is well underway with 2 of 18 projects awarded and 12 additional projects out for bids. If the current bid environment remains good, we will execute all 18 projects this year, which will make this another banner year. The DOD construction moratorium has caused some delays in execution of our current program but we do not foresee any long-term impact at this time.

Fiscal year 1991 Milcon budget request.—The Air Force Reserve Milcon budget request for fiscal year 1991 totals $37.7 million; $33 million for major construction, $1.4 million for minor construction, and $3.3 million for planning and design. Approximately 18 percent of the major construction supports new mission requirements, and 82 percent supports current mission. Currently, 22 of 23 projects meet Congressional 35 percent design criteria. The one project, Squadron Operations Facility, McChord AFB, Washington, is a joint Base Closure project and was accelerated to our fiscal year 1991 program. We anticipate no difficulty in completing the one remaining design and executing all projects during fiscal year 1991.

Reduced Milcon funding.—At this point, I believe it is important to highlight some facts about our Milcon programs over the last couple of years. Our fiscal year 1990 appropriation was 35 percent less than our fiscal year 1989 Milcon appropriation. Further, our fiscal year 1991 request is 18 percent less than our fiscal year 1990 appropriation, a net reduction of 53 percent of our fiscal year 1989 program considering both years. With full funding of both fiscal year 1990 and 1991 programs, this reflects a dramatic decreased funding trend. I feel the Air Force Reserve must sustain adequate support, resources and high state of readiness, especially, in light of possible Active Force cutbacks.

SUMMARY

In summary, the program I have presented today is the result of a careful, well-reasoned, and thorough programming process. Our request provides a balanced program that reflects the most urgent Milcon requirements of the Air Force Reserve. Other urgent requirements exist but restricted funding levels prevent their inclusion. Our fiscal year 1991 program places the highest priority on readiness and ensures timely support to current mission initiatives. We are deeply appreciative of your past support and urgently seek your favorable consideration of our fiscal year 1991 Milcon request.

This concludes my statement. I would be pleased to answer your questions or arrange for answers to be inserted in the record.

DEPARTMENT OF THE NAVY

NAVAL RESERVE

STATEMENT OF REAR ADM. WALLACE N. GUTHRIE, JR., DEPUTY DIRECTOR, U.S. NAVAL RESERVE

SUMMARY STATEMENT

Senator **SASSER**. We will now hear from Admiral Guthrie, who has a statement on behalf of the Navy. Are you going to speak for the Marine Corps also this morning, Admiral?

Admiral **GUTHRIE**. In part, sir.

Senator **SASSER**. You may proceed.

Admiral **GUTHRIE**. Good morning, Mr. Chairman.

This also is my first time appearing before your committee. I share the enthusiasm earlier expressed, and I am pleased to be here this morning.

Senator **SASSER**. We welcome you here this morning.

Admiral **GUTHRIE**. I ask that my prepared statement which I will summarize with a few brief remarks be entered in the record.

Our Naval and Marine Corps Reserve military construction budget request for fiscal year 1991 totals $50.2 million. It is designed to maintain our joint facilities program on a steady course as we enter the decade of the nineties. We believe this to be the most prudent strategy given the probable but as yet uncertain changes in force structure and force mix which are likely to develop over the next several months.

The projects which make up our request are needed to support our physical plant inventory currently valued at approximately $2.7 billion. Preserving this infrastructure is essential for us to maintain our current high state of mobilization readiness. We feel the projects requested represent an equitable and balanced approach to support the Naval and Marine Corps Reserve programs.

The Naval Reserve is a full participant in the new base consolidation effort currently in progress. As part of this effort, all of our facilities will be reviewed to ensure their optimum use with regard to any forthcoming changes in the structure of the reserve component of the Navy's Total Force. We strongly support Secretary Cheney's effort to streamline the base closure process in order to realize potential savings as soon as possible.

General Adams is here this morning to speak on behalf of the Marine Corps exclusive issues.

PREPARED STATEMENT

Again, I thank you for the opportunity to appear before you today, and for the support that this committee has provided the Naval Reserve in the past. I would be happy to answer any questions.

Senator **SASSER**. Thank you very much, Admiral Guthrie.

[The statement follows:]

STATEMENT OF REAR ADM. WALLACE N. GUTHRIE, JR.

Mr. Chairman and members of the Committee. I am pleased to appear before you to present the fiscal year 1991 Military Construction, Naval Reserve budget request.

Our world is dynamic and challenging. The rate of change is quicker than most of us have ever experienced. In the past, the Naval Reserve Force has always risen to challenges and adjusted to those conditions which time and events have dictated. We are facing the current period of change determined to maintain a strong Total Force posture. What changes will be made in the Naval Reserve Force structure to meet future mission requirements have not yet been determined. Answers to this and other questions will be forthcoming over the next several months. It is with this in mind that we focus on our facility requirements and, in particular, our fiscal year 1991 budget request.

Our program is on a steady course which we intend to maintain. We are not acquiring or upgrading facilities which will not be needed in the future; instead, we are trying to meet needs which have developed over the past decade of rapid growth of the Naval Reserve. The projects we ask for today are badly needed, as measured by our construction backlog, age and the value of our facilities. Our backlog of construction projects exceeds $1 billion; the average age of our facilities is in excess of 39 years; and, we are maintaining a physical plant valued at $2.7 billion. In spite of these conditions, the Naval Reserve has adapted to the requirements and conditions presented to it and has reached new heights of mobilization readiness as part of the Total Force. Our ability to recruit, train and retain top quality personnel is the key to maintaining readiness in the Naval Reserve. Our most important resource—people—require facilities which are attractive, provide a proper learning environment and are part of an image of which they can be proud. In this regard, the projects requested today will improve the quality of life for our people and will provide them with a highly effective training environment.

As part of the Navy's Total Force we continue to see a balanced fair share approach to funding our requirements. The condition of our facilities and need for replacement mirror the active Navy, albeit on a smaller scale. Within the Naval Reserve, we have maintained an equitable balance between our surface program, which includes 225 Reserve centers, and our air program with its six naval air stations and 17 other Reserve air sites.

Our joint Naval Reserve and Marine Corps Reserve request for $50.2 million includes only three new mission projects. We continue to concentrate on improving what we have rather than increasing our facility inventory. These facilities support a slight decrease in drilling population during the fiscal year. Our goal is to upgrade our existing physical plant to support mobilization readiness at the current funding level.

As we testified last year, the Marine Corps is now a resource sponsor for its portion of the Military Construction, Naval Reserve program. The Marine Corps Reserve comprises one-quarter of the Marine Corps Force structure and significantly contributes to the total combat power of the Marine Corps. The Marine Corps Selected Reserve end strength will remain relatively constant for fiscal year 1990. General Adams is here today to speak on behalf of Marine Corps issues in the Military Construction, Naval Reserve program.

Before I close I would like to add that the reductions proposed by the 1988 Commission on Base Realignment and Closure will have little effect on Naval Reserve facilities. The full impact of the latest proposal for base closures is unknown at this time; however, we are studying certain Naval Reserve facilities closely including Naval Air Station, South Weymouth and Naval Air Facility, Detroit which were included on the list of those domestic facilities recently identified by the Secretary of Defense for possible closure or realignment.

We appreciate the support this committee has provided and seek your approval of the projects which comprise this budget submission.

This concludes my statement Mr. Chairman. I will be happy to answer any questions and to provide additional information. Thank you.

U.S. MARINE CORPS

STATEMENT OF BRIG. GEN. W.T. ADAMS, DIRECTOR, FACILITIES AND SERVICES DIVISION, OFFICE OF THE DEPUTY CHIEF OF STAFF, INSTALLATIONS AND LOGISTICS

SUMMARY STATEMENT

Senator SASSER. Do you have a statement this morning, General Adams?

General ADAMS. Yes, sir; I do have a short statement.

Senator **Sasser**. We would be glad to hear from you. General Adams is an old veteran before this subcommittee. We are delighted to hear from you.

General **Adams**. Good morning, Mr. Chairman.

I do appreciate the opportunity to appear here again to present the Marine Corps Reserve portion of the Milcon in our program.

Our Reserves consist of the Fourth Marine Division, the Fourth Marine Aircraft Wing, and the Fourth Service Support Group and numbering some 44,000 men and women. These Reservists, along with our active force and our retired community, make up what we call our Total Force.

Along those lines, we view our Reserves in a kind of a three-pronged approach. We want to continue our substantial efforts in recruiting, retention, and quality training. We want to continue our efforts in force modernization, with modernization of equipment and facilities; and we want to continue our policy of Active and Reserve integration because we believe in the Marine Corps' case, this is what works.

As you know, I am sure, beginning with fiscal year 1990, the Marine Corps assumed budgeting responsibility for its Reserve facilities. This responsibility continues into fiscal year 1991 and beyond by the Marine Corps contributing a portion of its total obligation authority to the military construction and Naval Reserve program for the construction of Marine Corps Reserve-exclusive projects.

The fiscal year 1991 program will fund only one project, an essential hangar for a newly activated Reserve attack helicopter squadron at the Marine Corps Air Station in Camp Pendleton, CA. This is an $8.1 million project.

The Marine Corps portion of the Milcon backlog has been reduced from $94.8 million to $89 million as a result of a congressional add to the fiscal year 1990 budget for the corrosion control hangar at Stewart, NY.

Because of this type of continuing support for the Reserves we no longer have unfunded pending projects at Stewart for the KC-130T squadron.

PREPARED STATEMENT

There is a continued emphasis as funding is available to replace and renovate our training facilities. We have found that quality training facilities directly impact on the readiness, retention, and morale of our Reserve component. We sincerely appreciate your past support for this program and seek your continued approval of our request.

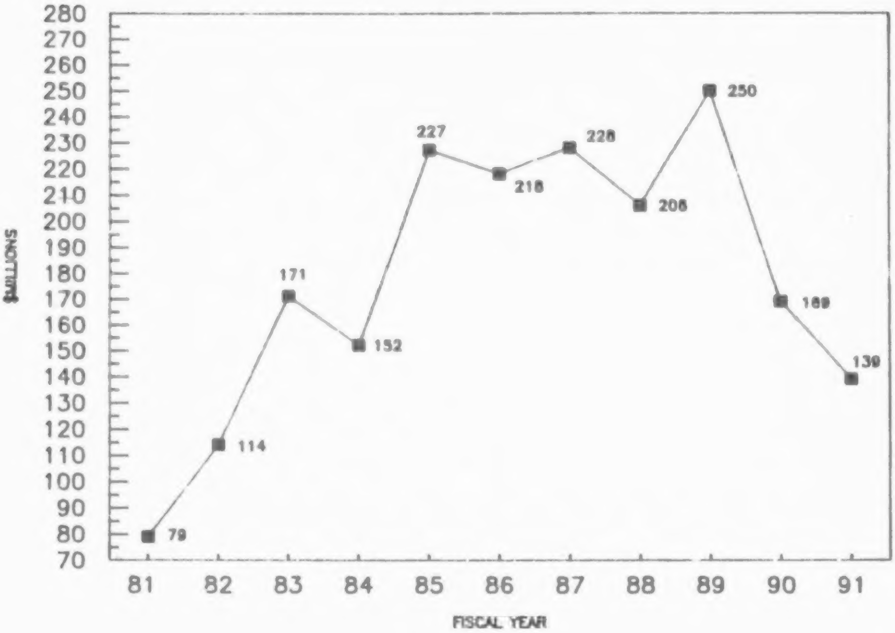
This concludes my remarks, Mr. Chairman.

[The statement follows:]

Statement of Brig. Gen. W.T. Adams

Mr. Chairman and members of the committee: I am Brigadier General W.T. (Tom) Adams, Director, Facilities and Services Division, Installations and Logistics Department, Headquarters, U.S. Marine Corps. I appreciate the opportunity to appear before you to review the Marine Corps military construction program for fiscal year 1991. Our military construction request for fiscal year 1991 of $139 million provides the facilities needed to respond to the Marine Corps highest priorities for improving readiness, and sustaining our forces. The request is smaller than both the fiscal year 1990 and fiscal year 1989 submissions. The reduction should not be construed as being reflective of a declining need for facilities to accommodate new and current missions. It does, however, reflect the results of difficult budget decisions. The keen competition for these scarce resources has had the effect of providing for only our highest priority requirements. The request continues efforts initiated in prior years to support both new and existing missions with emphasis being placed on providing facilities that promote personnel and materiel readiness, enhance productivity, improve morale and welfare, and provide the quality-of-life improvements necessary to attract and retain dedicated men and women for the Marine Corps. With the support of Congress, we have made significant improvements. I would, however, be remiss if I failed to point out that we are a long way from achieving our ultimate goal—excellent facilities to support all our mission requirements.

Your past support for our program has been superb and we are most grateful. It reflects your appreciation of the relationship between excellent facilities and warfighting capability. Modern adequate facilities have contributed significantly to improved mission capability, productivity, readiness and sustainability and have had a visible impact on morale and retention. Chart 1 reflects our program since 1982 when the Marine Corps assumed resource sponsorship for military construction.

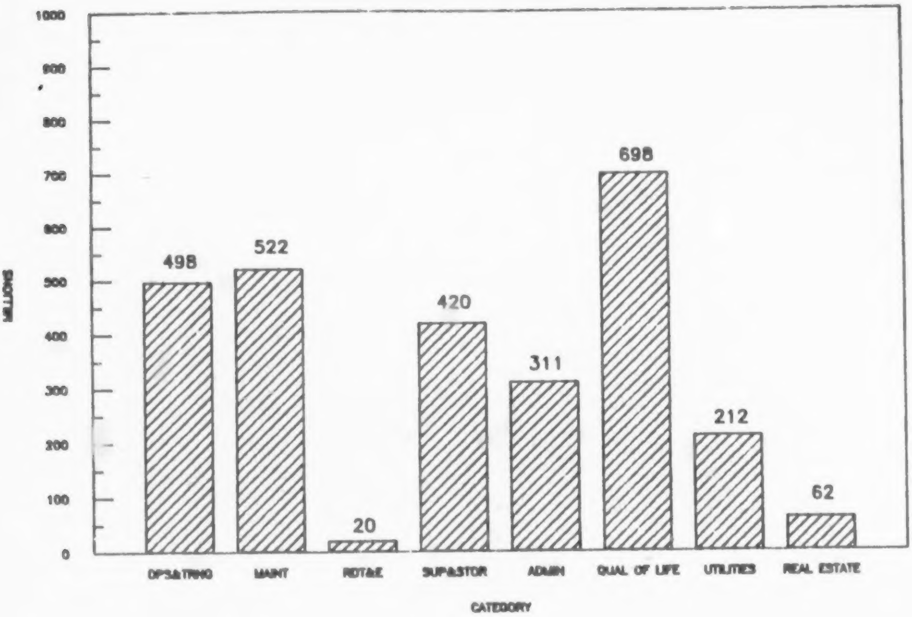

UNITED STATES MARINE CORPS
MILCON FUNDING

[CHART 1]

However, program growth has been temporarily suspended. Our fiscal year 1990 military construction request was 32.4 percent less than the request submitted and approved for fiscal year 1989 and our fiscal year 1991 request decreases another 18 percent from fiscal year 1990. This decrease should not be construed as a weakening of our commitment to replace and upgrade our physical plant, but rather it may be principally attributed to the pressures on the Marine Corps budget brought about by general budget reductions. We hope to halt this decline in fiscal year 1992 and resume an upward trend. Because of current budget constraints, we must wait to address our $2.8 billion facilities backlog, reflected on chart 2, for better times.

MILCON DEFICIENCY

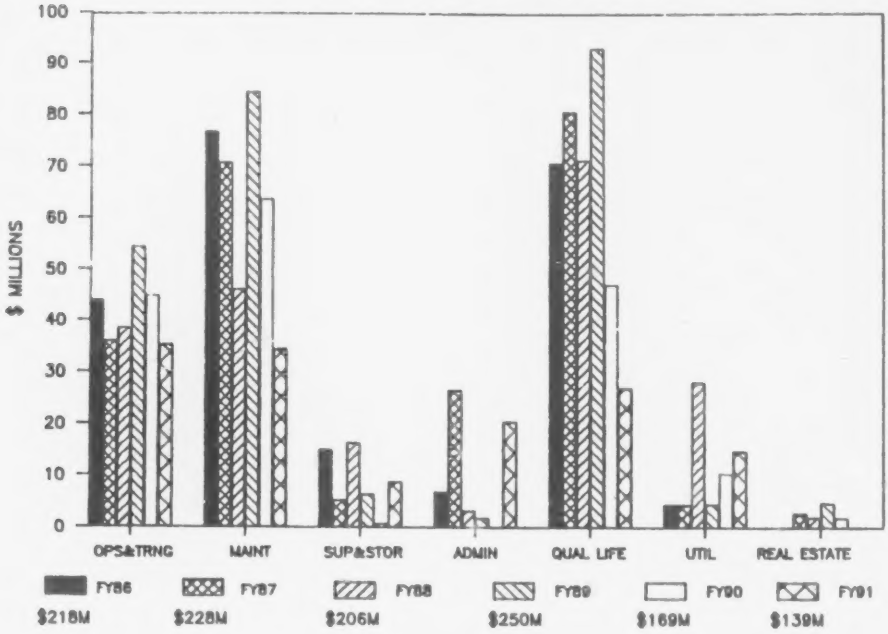
TOTAL (INCLUDES P&D) = $2.8 BILLION



[CHART 2]

Despite its size, the Marine Corps military construction program continues to be an integral element of our combined Armed Forces modernization and the Marine Corps remains committed to providing the excellent facilities needed to meet all our requirements. The Marine Corps construction requests over the past few years have provided balanced programs that have been applied against needed facility improvements in operations and training, maintenance, supply and storage, administration, quality-of-life, and utility system upgrades as shown on chart 3.

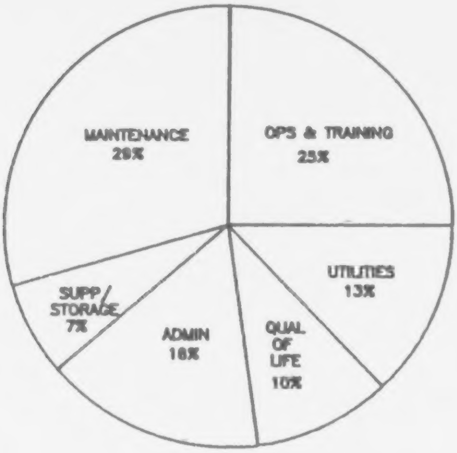
MILCON PROGRAM



[CHART 3]

In fiscal year 1991 military construction resources continue to be allocated to support the new weapons systems and equipment fielded in the early 1980's; to properly house our enlisted marines; to replace those aging facilities which are beyond prudent economic repair; and then to satisfy our existing deficiencies. This balanced program is consistent with our past management strategy and is in response to the Marine Corps most urgent needs, as reflected on chart 4.

MARINE CORPS
MILITARY CONSTRUCTION (MILCON) DISTRIBUTION
FY91



[CHART 4]

Our fiscal year 1991 request places less emphasis on quality-of-life projects by necessity. During the last decade the Marine Corps devoted nearly 40 percent of its military construction budget ($623 million) to the construction of over 38,000 bachelor enlisted quarters (BEQ) spaces, which has gone a long way toward coming to grips with our deficit. For fiscal year 1991, $6.7 million is requested for 316 living spaces, and $7.1 million for a messhall and a much needed clothing issue facility for one of our recruit depots. All of these projects are an indispensable investment in the future and represent, in a tangible way, our continued commitment to improve the quality-of-life for our marines.

The introduction of new weapons systems requires support facilities to efficiently maintain and conserve these assets. Our fiscal year 1991 request continues to provide this support totaling $10.3 million and consists of three projects at three Marine Corps activities.

The aviation readiness projects for fiscal year 1991 include: an aircraft rinse facility; an aviation supply warehouse; a hangar conversion; a weight handling equipment shop; and an operational/training facility.

Maintenance facilities are also requested to support units at our major ground bases including one intermediate-level maintenance facility; a communications-electronic maintenance facility, and two tactical vehicle maintenance shops.

Our 1991 request again emphasizes our commitment to improving the operational and training environment for our marines. We are requesting $34.5 million for the construction of operational and training projects at four Marine Corps activities. These projects, essential to our training and readiness, will provide facilities such as: a mechanics training building; two military operations in urbanized terrain facilities; and the Marine Corps research center.

Last, is a request for $49.2 million which will provide: waste and water treatment facilities; water storage development; a regional automated service center; a hazardous and flammable storehouse; a logistics support facility; and a combat development center that is associated with operations, intelligence, and computer support functions. These projects may not seem very glamorous, but they are essential in supporting our operating forces and maintaining our base infrastructure.

MARINE CORPS RESERVE

Beginning with the fiscal year 1990 program, the Marine Corps assumed budgeting responsibility for its reserve facilities. This responsibility continues into fiscal year 1991 and beyond by the Marine Corps contributing a portion of its total obligational authority to the military construction, Naval Reserve (MCNR) program for the construction of Marine Corps Reserve exclusive use projects. Funding of Marine Corps Reserve exclusive projects has varied widely over the past years. Becoming our own resource sponsor has enabled the Marine Corps to more fully address our Reserve military construction needs, and hopefully, will lead to increased and stable funding levels. The fiscal year 1991 program will fund only one project, an essential hangar for a newly activated Reserve AH-IJ Helicopter Squadron at MCAS Camp Pendleton, California, for $8.1 million. The Marine Corps portion of the MCNR backlog has been reduced from $94.08 million to $89 million due to a congressional add to the fiscal year 1990 budget of the corrosion control hangar at Stewart, New York. Because of this type of continuing support of the Reserve, we no longer have unfunded pending projects at Stewart for the KC-130T Squadron.

There is continued emphasis, as funding is available, to replace and renovate our training facilities, as we have found that quality training facilities directly impact on the readiness, retention, and morale of our reserve component.

FAMILY HOUSING

In recent years, the Marine Corps has made steady progress in improving the quantity and quality of our family housing assets. However, our construction program cannot keep pace with the spiraling cost of living in southern California. You recognized this in our fiscal year 1990 family housing request by adding an additional $30 million for construction of 383 homes in southern California. Our current housing deficit still exceeds over 5,000 homes in southern California. The Marine Corps fiscal year 1991 housing program is constrained to $135.8 million. We propose to construct 116 family housing units for a total of $11.8 million located at Camp Pendleton, California. The fiscal year 1991 improvements program requires $4.5 million, and operation and maintenance costs are estimated at $118.9 million. Included in the maintenance costs are rehabilitation projects on 1,238 homes in four locations estimated at $39 million. We recognize the direct link between housing people well and increasing mission capability. We want to provide our marines with the basic human need of safe secure homes for their families.

SUMMARY

Mr. Chairman, in summary, permit me to emphasize again our appreciation for this committee's continued support. The military construction program for fiscal year 1991 represents the Marine Corps assessment of requirements and relative priorities needed to best carry out mission responsibilities. Our program is very modest, but well structured and is the result of a careful, well reasoned, and thorough decision process based on our best judgment and operational experience. It places high priority on readiness and sustainability of our forces, ensures timely support for fielding new weapons systems, and continues our commitment to improve the quality-of-life of our marines and their families while being consistent with fiscal realities. Our request provides a balanced program, which we believe represents what is essential to support Marine Corps missions and that is responsive to the guidance of the Congress.

Approval of this request will continue the efforts of the Congress and the Marine Corps to provide modernized facilities enabling us to attract and retain quality marines and maintain a high level of operational readiness and warfighting capability. We urge your favorable consideration of our fiscal year 1991 military construction request.

Sir, this concludes my statement. I would be pleased to provide any further information you may need, and to answer any questions which you may have.

Biography of Brig. Gen. Wayne T. Adams

General Wayne T. Adams is the Director, Facilities and Services Division, Installations and Logistics Department, Headquarters Marine Corps, Washington, D.C.

General Adams, a native of southern Florida, was born on January 31, 1940. He received an associate degree in 1960 as an honor military graduate from the Marion Military Institute. Following one year at the University of Alabama, he entered flight training as a Marine Aviation Cadet and received his commission and wings after completing advanced jet training at Kingsville, Texas in 1963.

His first operational assignment was with Fighter Squadron 333, MCAS Beaufort, S.C., as an F-8 Crusader pilot and duty as the Flight Schedules Officer. In September 1965, he returned to the University of Alabama via the College Degree Program and graduated in May 1966 with a B.A. degree in Political Science and Economics. He also holds a master's degree in General Management (1981).

In June 1966, General Adams reported to the 2d Marine Aircraft Wing, Cherry Point, N.C., where he served as an Air Support Control Officer in Marine Air Support Squadron 1. He transferred to the 1st Marine Aircraft Wing in March 1967, where he served as the Assistant Operations Officer of MASS-3 in Chu Lai and Dong Ha, Republic of Vietnam, and as a Senior Air Controller in the Tactical Air Command Center, Da Nang, RVN.

Ordered back to the United States in May 1968, he returned to the 2d Marine Aircraft Wing, where he served as the Assistant OIC of the Tactical Air Command Center and then a year tour as the Operations Officer of MASS-1. In 1969 he transferred to Quantico, Va., as a student at the Amphibious Warfare School.

Following graduation, General Adams returned to flying duty in April 1970, transitioned to the CH-46 helicopter and served as the Operations Officer of Medium Helicopter Squadron 162 at New River, N.C. He returned to Vietnam in January 1971 for duty as the Logistics Officer and as a Flight Leader in HMM-262 until May, when he was assigned as the Assistant Operations Officer of HMM-164 aboard the U.S.S. *New Orleans* operating in the South China Sea.

Returning from overseas in January 1972, General Adams reported to Jet Training Squadron 19 at NAS Meridian, Miss., where he was promoted to major and served as a flight instructor and as the Aircraft Maintenance Officer. Upon completion of this assignment, he returned to Cherry Point in July 1974 and transitioned to the A6E Intruder for duty as the Maintenance Officer and Operations Officer of Marine All Weather Attack Squadron 121. In January 1976, he was assigned as the Operations Officer of Marine Aircraft Group 14, and subsequently as the Operations Officer of MAG-20, 4th Marine Amphibious Brigade, for extended NATO operations in Northern Europe.

General Adams returned to VMA(AW)-121 in November as the Executive Officer prior to the squadron's unit deployment to the Western Pacific. Following a 19-month tour as the Executive Officer, he assumed command of the "Green Knights" in June 1978. He was promoted to lieutenant colonel in July 1979.

He was reassigned to the 3d Marine Aircraft Wing staff in September 1979, where he served for eight months as the G-3 Operations Officer, 11 months as the Deputy G-3, and two months as the Assistant Chief of Staff, G-3. From July 1981 to June 1982, he was a student at the Naval War College, Newport, R.I. Following graduation, he reported for duty as the Chief of Air Operations, J-3, Rapid Deployment Joint Task Force/USCENTCOM, MacDill AFB, Fla. During this assignment, he also served as a liaison officer to the United States ambassadors and military missions in several Middle Eastern countries; as Chief of Staff of a special unit; and as commander of a joint/combined actual military operation in the Middle East region. He was promoted to colonel in October 1984.

From June 1985 until June 1986, General Adams served as the Executive Officer of Marine Aircraft Group-13, MCAS, El Toro, Calif. He then served for two years as the Commanding Officer of MCAS, Yuma, Ariz. In May 1988, he assumed duty as the Assistant Wing Commander, 1st Marine Aircraft Wing. While serving in this capacity, he was selected in November 1988 for promotion to brigadier general. General Adams was advanced to that grade on April 28, 1989, and assumed his current assignment on July 8, 1989.

General Adams has accumulated over 3,600 flight hours while serving in the fighter, air control, helicopter, and attack communities of Marine Aviation. His personal decorations include: the Defense Superior Service Medal; Legion of Merit; Meritorious Service Medal; the Air Medal with numeral 21, Joint Service Commendation Medal; Navy Commendation Medal with Combat "V"; the Navy Achievement Medal; and the Combat Action Ribbon.

Brigadier General Adams is married to the former Lynne Williams of south Florida. They have three children: Jeff, a Los Angeles County Deputy Sheriff and former Marine NCO; Allison, a flight attendant with Delta Airlines; and Rob, a college freshman.

FORCE STRUCTURE CUTS

Senator SASSER. Thank you very much, General Adams.

General Conaway, there is a 76,000-person cut that has been proposed in the budget of the Department of Defense this year. What force structure would you have to cut if you were forced to meet that requirement?

General **Conaway**. We would have a couple of divisions and several units to cut. The detail of that I would like for General Navas to comment on.

I might add that that was an initial plan that the Department of the Army had. We are reviewing that—in fact reconsidering that—and trying to come up with a different plan, probably maybe a better balanced plan from our perspective, but at any rate, that is being relooked at and there has been no final decision made on what cuts the Army National Guard will take at this point.

This was a macro plan released, I think, in late January, but General Navas can tell you just exactly how many units that would entail if it came to pass.

DEPARTMENT OF THE ARMY

ARMY NATIONAL GUARD

STATEMENT OF GEN. WILLIAM A. NAVAS, JR., DEPUTY DIRECTOR

General **Navas**. Yes, sir, Mr. Chairman, Senator Stevens.

The reduction in the Guard and, as you have stated, would predicate a reduction of 76,000 between 1990 and 1994.

Senator **Sasser**. That is over 3 years?

General **Navas**. That is over 3 years, 1992 to 1994.

We are looking at a reduction of 10,000 faces or end strength this year, and with a potential of a reduction of 10,000 spaces in 1991, which are part of that 76,000.

Should that happen we would be taking down two Army National Guard brigades in 1991. Basically from two Northeast divisions, one from the 50th Armored and one from the 42nd; 1992 would take us down 35,000 and would consolidate three Northeast divisions into one. That is the 26th Division, the 42nd and 50th into one division, and we would lose additional combat support and combat service support units. Coming in 1993; we would come down 30,000, and would continue the consolidation of the divisions, take down three divisional brigades, one armored cavalry regiment and other combat support and combat service support units. With 1994, taking down 11,000 in 1994 and completing the 76,000.

Basically, bottom line what we would see is the Guard going from 457,300 today to 381,300 in 1994, 8 divisions versus 10 divisions and 13 separate brigades versus 14 plus a lot of what we call below the line units, combat service support, combat support units to make the total 76,000.

PREPARED STATEMENT

Like General Conaway said, this is a concept as to how to deal with the fiscal realities. It is still being relooked at by the Army staff at this time as we speak.

[The statement follows:]

STATEMENT OF GEN. WILLIAM A. NAVAS, JR.

Mr. Chairman, members of this Committee, I welcome the opportunity to again appear before this Subcommittee and present the Army National Guard Military Construction Program for Fiscal Year (FY) 1991. I will also touch briefly on our success in executing the 1989 program and the execution of our current year program.

We the Army National Guard (ARNG), have taken on new responsibilities. Manned with high quality soldiers, trained and equipped to a higher level of readiness, and modernized to a greater extent than ever before, the Army National Guard is the best it has ever been in its 353 year history. The Army's "Total Force" concept and the resources provided by Congress, including the support this Committee has given to our facilities needs, have made this high level of readiness possible.

The ARNG has proven to be cost effective in performing both its State mission of providing military support to civil authorities and its Federal mission of deterring war.

The ARNG improved dramatically during the decade of the 1980's:

---End strength and force structure increased by approximately 100,000 to a projected End Strength of 447,300 for Fiscal Year 1990.

---The number of ARNG units with early deploying missions increased 151%.

---The number of new and existing units reporting an overall readiness status to perform their wartime mission increased 36%.

---High priority units are being equipped with the most modern equipment available to the Total Force.

---Training opportunities have greatly expanded with the use of local, regional, national and joint training simulators enhancing our ability to make maximum use of limited resources.

---Training opportunities for qualification of individual soldiers, leaders and units have been extended to include field environments around the world.

The Army National Guard force structure will probably undergo a period of adjustments to become responsive to assigned Federal missions and to become more cost competitive as a strategic deterrent to armed conflict.

In the past 10 years, the Army National Guard has undergone significant force structure changes. We have been assigned major wartime missions required by our national contingency plans. Modernization of supporting facilities has becomes a vital part in developing the readiness levels of our units. Our goals are to provide adequate and functional facilities and infrastructure to support assigned missions. We plan to meet these goals by maintaining the existing inventory and by investing in a logical and prudent revitalization construction program. Through such revitalization efforts, we are also making a statement to the States and local communities as well as to all members of the Army National Guard that the U.S. Army recognizes a commitment to the "Citizen Soldier" by investing in modern facilities where they work and train. In return, such investments have high paybacks in improved morale, productivity, recruiting and retention, as well as improved warfighting readiness.

Current funding levels available to the Army, including the Army National Guard, have fallen short for fully executing both areas. The backlog of construction needs continue to grow in spite of this Committee's and other Congressional assistance to acquire additional facilities beyond those requested in the annual Military Construction program. Annual funding support of operations and facilities upkeep has declined to the point that existing facilities are fast becoming unserviceable and may require premature replacement.

MILITARY CONSTRUCTION PROGRAM EXECUTION FOR FY 1989
ARNG EXECUTION

FY 1989 PROGRAM EXECUTION

PROGRAM:		REQUEST	APPROPRIATED
MAJOR CONSTRUCTION		$ 120.7	$ 207.2
MINOR CONSTRUCTION		7.0	8.0
PLANNING/DESIGN		10.6	14.0
	TOTAL	$ 138.3	$ 229.2

PROJECT CANCELLED:		
OH MCCONNELSVILLE	ARMORY	SCOPE CHANGE
IN CAMP ATTERBURY	RANGE	SCOPE CHANGE
PA FINLEYVILLE	RANGE	ENVIRONMENTAL
NM SANTA FE	OMS	SCOPE CHANGE

PROJECTS NOT AWARDED:		
GA ATLANTA	ARMORY	SITE CHANGE
MS CAMP MCCAIN	AIRFIELS	ONE HIGH BID
NM CENTRAL	ARMORY	BIDS DELAYED
NM GRANTS	ARMORY	HIGH BIDS
NM SANTA ROSA	ARMORY	HIGH BIDS
NM TUCUMCARI	ARMORY	BIDS DELAYED
NM LAS VEGAS	ARMORY	BIDS DELAYED
VA ARLINGTON HALL	CENTER	MODIFICATIONS
WV BUCKHANNON	USPFO	SCOPE CHANGE

The ARNG Fiscal Year 1989 Military Construction program authorized and funded 116 projects. The appropriations totalled $229.2 million with $207.2 million committed to construction. Four (4) of the authorized project were cancelled; three (3) because of scope changes and one (1) because of an unforeseen environmental problem. Nine (9) projects were not awarded during the program year. Eight (8) will be awarded during FY 1990. One (1) project has had a major change in scope. This project, the USPFO office building at Buckhannon, West Virginia, is being deferred again by DoD action to transfer FY 90 funds added to the MCNG program to other requirements. We achieved a 92% execution rate for Fiscal Year 1989.

MILITARY CONSTRUCTION PROGRAM PLAN FOR FY 1990

The fiscal year 1990 Military Construction, Army National Guard (MCNG) budget request of $114 million concentrated on modernized or new training ranges and regional centers, logistical and maintenance facilities for new weapons systems and armories for more intensive home station training to support the expanded missions.

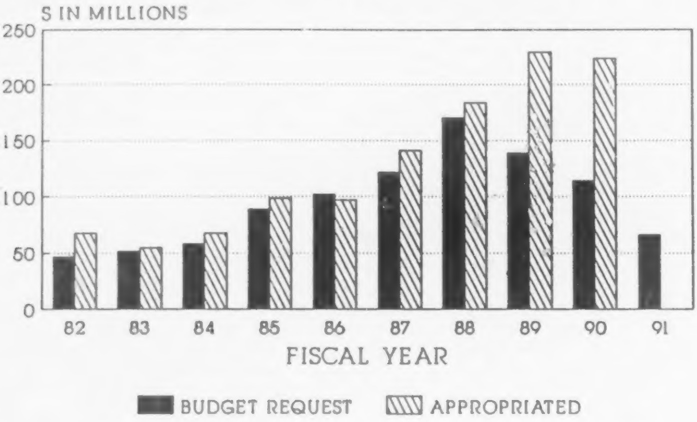
With the Congressional added projects, the enacted MCNG Appropriations for Fiscal Year 1990 totalled $223.49 million. This program provides $211.9 million for construction and $11.6 million for planning and design to accelerate the design of future year projects. As you are aware, there is about $36.1 million difference between the amounts authorized and appropriated.

The FY 90 MCNG program as enacted has projects in 40 states and they are divided into the following project types:

	QUANTITY	AMOUNT ($000)
ARMORIES		
NEW, REPLACEMENT, EXPANSIONS	59	86.0
EQUIPMENT MAINTENANCE SHOPS	24	33.4
TRAINING SITE SUPPORT FACILITIES	20	31.7
TRAINING SITE RANGES	13	13.8
AVIATION FACILITIES	10	11.1
SUPPLY AND SUPPORT FACILITIES	7	7.2
LAND ACQUISITION & MISCELLANEOUS	5	28.7
TOTAL	138	211.9

MILITARY CONSTRUCTION PROGRAM REQUEST FOR FISCAL YEAR 1991

FY82-FY91 FUNDING



MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

The programed Fiscal Year 1991 request of $66.4 million includes $58.514 million for construction, $3.786 million for unspecified minor construction, and $4.1 million for planning and design of future projects. The submitted President's Budget, however, provides and adjustment to our requested program of $278,000. We ask that this adjustment be added to our unspecified minor construction which would become $4,064,000. The total request is listed at $66,678,000. This is the lowest requested program since FY 84, but because of other higher priorities for personnel and equipment all military construction programs are significantly reduced. The requested major construction program supports requirements from 25 States and territories and will provide the facilities identified for ARNG units.

	QUANTITY	AMOUNT ($000)
ARMORIES		
NEW, REPLACEMENT, EXPANSIONS	17	25.619
EQUIPMENT MAINTENANCE SHOPS	12	13.966
TRAINING SITE SUPPORT FACILITIES	3	2.161
TRAINING SITE RANGES	7	6.854
AVIATION FACILITIES	1	2.515
SUPPLY AND SUPPORT FACILITIES	2	3.599
ARMORY STORAGE BUILDINGS (VARIOUS LOCATION)		1.6
INDOOR RANGE MODERNIZATION (VARIOUS LOCATION)		2.2
TOTAL	42	58.514

FORCE STRUCTURE

ARNG force structure initiatives continues to focus on conversion of separate maneuver brigades and corps level combat support and combat service support forces to the Army of Excellence design.

An example of our force structure initiatives is the conversion of two Armored Calvary Regiments to separate Armor Brigades equipped with M-1 tanks. In addition, a light infantry battalion was activated in Alaska as a roundout battalion to the 6th Infantry Division. Facilities to support thess initiatives will be in the out years.

The Fiscal Year 1991 program has 17 armory projects, and one Tri-Service construction project at Bangor, Maine. This Armed Forces Reserve Center project will be the training center for units of the 262th Engineer Battalion, Maine Army National Guard and for units of the Army Reserve and Navy Reserve.

BASE CLOSURE 1990

Two projects contained in our FY 90 program are involved in a base closure action. They are the armory and Army Aviation Support Facility (AASF) C-12 hangar programmed for construction at Mather Air Force Base at Sacramento, California. The Sacramento Area Commission on Mather Conversion (SACOMC) is currently studying the future of the facilities located on the Air Base. The State of California is hopeful that the SACOMC will recommend that the CA ARNG retain their existing 25 acre site plus permit the acquisition of an additional 24 acres. The result of the SACOMC report is scheduled to be published in September 1990; thus, delaying the award of the construction contracts for the armory and C-12 hangar during FY 90.

The January 1990 Base Realignment and Closure Proposals, Army Force Realignment as presented to Members of Congress, proposes to reduce the end strength of the Army National Guard and could result in a realignment or redistribution of units within and among the states. The impacted states are currently studying these changes and facilities needs. It is anticipated that some of the older inefficient armories will no longer be required to support adjusted Force Structure.

The FY 90 construction program has only one project that could be affected by the proposed force realignment. That is a mini tank range in New Jersey requested to train armor units now scheduled for deactivation. The project may still be required if new units assigned to this region that have the same training requirements. The FY 91 program was developed such that no projects are requested to support any known units involved in this realignment.

TRAINING

PERMANENT TRAINING SITE FACILITIES

To sustain combat readiness within the Army National Guard, quality year round training capabilities are required by providing permanent modern support facilities on our major training sites. The permanent cantonment facilities, such as troop barracks, dining and support buildings, must be provided to supplement or replace inadequate World War II wooden buildings, metal hutments, tent platforms and unheated facilities which are currently available. The fiscal year 1991 training site facilities construction request includes three projects: one troop support project at Camp Guernsey, Wyoming, one troop medical training project at Camp Rilea, Oregon and one troop support project at Camp Carroll, Alaska that will significantly improve year around training and overnight stay capabilities at these major training sites.

REGIONAL TRAINING CENTERS:

In partnership with the Active Component and the Army Reserve, the Army National Guard is establishing regional training sites to provide specialized training not available at home stations. The ARNG has proponency for thirteen (13) of these regional centers where maintenance personnel can train on equipment they will maintain during wartime. Nine of these facilities have been approved with two now completed and turned over to full time training duties. The tenth center, at Jefferson City, Missouri is scheduled for construction this year. The eleventh, at Nickell Barracks, Kansas, is in our Fiscal Year 1991 request.

RANGE MODERNIZATION:

Our range modernization initiative, incorporating range concepts, target systems and training doctrine developed by the Army, is continuing. The ARNG range program has been developed to modernize our training sites as a means to standardize the type and quality of training. The systems being employed at our major training sites are more complex and more costly to construct than the older fixed position ranges common to our older training sites. These types of new ranges with the automated targets and scoring systems will permit us to train more troops in less time with higher quality in weapons marksmanship. Six projects of this type are scheduled for FY 91 and they are located in five locations.

For FY 91, the program has one project scheduled for Guilderland, New York. This range is called Military Operations on Urbanized Terrain (MOUT) Assault Course or "MAC" and is being developed to train small units in simulated or live-fire combat conditions in built up or urban environments. This facility is required for training elements of the 27th Brigade with the mission to roundout the 10th Light Infantry Division and other NY ARNG units.

Our range modernization program is on-track and will improve our combat training capabilities for sustaining unit readiness during the coming decade.

EQUIPMENT READINESS

Despite the reduction in procurement programs in recent years, fielding of equipment under the force modernization program and delivery of Dedicated Procurement Program equipment, the Army National Guard continues to receive large quantities of new and displaced equipment at record setting rates. Primarily, these items of equipment are the same as in the Active Army; such as, the M1 Abrams tank, the modernized M60A3 tank, Bradley Fighting Vehicle (BFV)s, Firefinder Radars for artillery units, Improved TOW Vehicles (ITV), M198 howitzers, Chaparral air defense weapons and the Heavy Expanded Mobility Tactical Trucks (HEMTT) and the High Mobility Multi-Purpose Wheeled Vehicles (HMMWV) replacing older models of tactical wheeled vehicles.

Requirements to maintain and manage this equipment in a go-to-war state of readiness places greater demands on our surface maintenance support. We are facing this challenge by systematically upgrading and modernizing our maintenance facilities. We have identified over 530 maintenance facilities in our existing inventory requiring modernization or replacement at an estimated cost of $450 million.

Our Fiscal Year 1991 request provides projects to upgrade or replace twelve (12) of the most critically obsolete or inadequate maintenance facilities. These facilities include Organizational Maintenance Shops (OMS) at the unit level and Combined Support Maintenance Shops (CSMS) providing state-wide direct and general support maintenance on all equipment.

AVIATION SUPPORT FACILITIES

We are requesting one project for Fiscal Year at Sandston, Virginia, Army Aviation Support Facility (AASF). The project repairs and expands the aircraft parking ramp. Fiscal Year 1991 program does not include requests for constructing or replacing any aviation maintenance or hangar facilities. The reason is that the Army's Aviation Modernization Plan (AAMP) recommends realignments in aircraft types and unit structure for both the active and Reserve Components of the Army. This plan could make significant changes in the ARNG aviation structure and types of assigned aircraft. Even though we have severe overcrowding at some of our aviation support facilities, we must defer development of all modernization projects until the Army's Aviation Modernization Plan is finalized. We anticipate these decisions will be made this year and our aviation modernization program can proceed in Fiscal Year 1992.

CONCLUSION

Mr. Chairman, my purpose has been to explain to this Committee that the Army National Guard has become an important part of the Total Army during the 1980's and is willing to accept the challenge of the 1990's. Maintaining this position and these capabilities have been made possible through the total resources made available to us by the Army and the Congress. Facilities developed during this decade have played major roles in achieving force structure, realistic and quality training opportunities, readiness and improving the Quality-of-Life of our "Citizen-Soldier". Because of new missions being assigned to the Guard, as well as the process of realignment of our force structure, and in this time of constrained resources, our backlog of military construction projects (unfinanced) will continue to grow. With our modest construction program, the rate of replacing of obsolete facilities will continue to grow, modernization or revitalization is the last priority and is not addressed in the FY 91 program. There are few totally "new" facilities. We are addressing the problem of backlog reduction, but priority must be given to unit mission and readiness. Our modest construction request for Fiscal Year 1991 has been designed to address our highest priority requirements that will continue to improve the Army National Guard in the 1990's.

This concludes my prepared statement. I appreciate the opportunity you and your committees have afforded me to speak on behalf of more than 447,000 Guardsmen and women worldwide. I would be pleased to answer any questions you may have. Thank you.

FORCE STRUCTURE CUTS

Senator SASSER. Thank you, General. If the 76,000 cut is allowed to stand, that is going to mean that the Guard and Reserve are not going to have the slots available to absorb some of the trained troops when they are released from the active duty units.

I do not know what Senator Stevens' experience has been, but I am already getting calls from junior officers in anticipation of perhaps moving over to Guard and Reserve units as they see the active force, or as they perceive the active force being cut in the years ahead.

Now, we have a very large investment. The taxpayers have a very large investment in these officers and men, and if we cut the Guard we are going to lose their training and their experience, and there is going to be no landing area for many of these highly trained individuals who want to move out of the active service into the Guard and Reserve.

Am I correct in that assessment, General Conaway?

General CONAWAY. Yes, Mr. Chairman, you are. I think this is one of the main reasons that the Department of Defense and Army and Air Force are back to the drawing board on how we are going to treat the Guard and Reserve in the cuts, because they are very sympathetic and empathetic, as you all are, to what we do with this highly trained resource that will leave active duty.

Will there be a billet for them in hometown USA, is what you are saying, if they want to go back and continue to serve? We are all experiencing our first drawdown of an All-Volunteer Force. You know, supposedly after a conflict is over—hopefully the cold war is over and we are all experiencing a drawdown—we have only done this under conscription, I guess, in all of our recent memory, and now we are doing it with kids who want to serve.

The National Guard has 575,000 members who are all volunteers. There are 2.1 million on active duty, all volunteers, plus all of the Reserve component numbers that add up to 1.2 million; volunteers that want to serve. That is just the Ready Reserve, not counting the IRR.

So there are 3.3 million in uniform working every day or drilling every day or every weekend that are all volunteers. So hopefully we can absorb those. But with the 76,000 in cuts and the Army Reserve cuts, the Guard could not absorb them. We are going to have enough trouble absorbing them because we are full right now.

To absorb those that come, we would have to try to take some through our normal attrition. Our retention is very good right now, so we are already feeling the effects of this and active duty has not started reducing yet. So at least for the next few years, we are trying to hopefully figure out a plan where we can save the resource that wants to be saved—those who come home and say, hey, I want to serve.

That is what we hope to be able to do, to accommodate them.

Senator SASSER. Well, General, I know that there is an undercurrent in the active Army, and I think the Air Force as well, which would indicate that our leadership in the active military really does not fully support the National Guard or the Reserve. That is my judgment.

Yet it appears to me that whenever the Guard and Reserve are called upon to perform important missions they always are up to the task.

I wonder if you could give us an overview in this open hearing of the participation of the Guard in the recent invasion of Panama.

General CONAWAY. Yes; you know, we are going through tight budget times, Mr. Chairman, and in all honesty we are getting our day in court with the services. You know, the final decision is not ours, but the Guard and Reserve are consulted, and they support us in many, many ways.

You know, we are trying to get 15 pounds into that 10-pound bag, as you all are over here, with the budget issues. It is not easy.

The Guard participated in Just Cause and, of course, the Reserve participated heavily, too. If you would like to hear theirs briefly at the same time, they did equally as well. I was very proud of what the National Guard did.

You know, warning times today are supposedly extended. We have 1, 2, 3, 4, 6 months increase in warning time, supposedly, depending on who you talk to. But what it gets right down to is what happened in Panama. We had a lot of warning time, supposedly, in Panama, but reaction time was 48 hours.

From the time we got the word for our units to participate along with the active units, we had 48 hours to show up and go with our volunteers. So regardless of what happens in the future, warning times may be increased. But by the time the political decision is made, the commitment for the United States to get involved, reaction times may continue to be very, very short, with whatever we do with increased warning times.

We have got to respond on reaction time. But the Army National Guard had military police already there training from Missouri. Gen. Max Thurman used them immediately. The Air National Guard had A–7's that are down there on rotation, and C–130's that were on rotation, and they were used immediately.

The Coronet Cove A–7 rotation, the Volant Oak C–130 rotation. Both of you have C–130's in Tennessee and Alaska that participate on a regular basis in Volant Oak. And whoever was down there got picked up and utilized immediately to drop troops, to drop cargo, and move POW's from one part of the country to another part.

But if I could let them just comment briefly, we were involved as part of the Total Force in that operation.

Senator SASSER. I would like to hear from the Reserve component.

General NAVAS. Yes, sir; General Conaway mentioned the Army Guard had an MP element, an MP company, from Missouri there on a training rotation. They immediately were used to conduct the internee camps at Empire Range.

From Minnesota we had a public affairs detachment that covered the initial activities. As a matter of fact, it was that Guard public affairs detachment that recorded the swearing in of the civilian president, Mr. Endara, that night.

Also, our field medical training site, which had some medical equipment and ambulances and some full-time personnel, AGR's, were utilized, plus our staff, the 26th Exercise Planning Cell, were integrated into the operations. So the Army Guard was a very active participant.

General CLOSNER. Mr. Chairman, the Air Force Reserve was heavily involved, and I echo General Conaway's comments about the fact that the reaction time is probably the key to this, not the warning time.

In 48 hours, we were heavily involved, primarily in the transport of the troops, the C–141's and C–5's, and also in the KC–10, the air refueling missions that we flew in support of this. We had AC–130 gunships that participated right alongside the active duty in preparing the landing sites and keeping hostile fire down when we made the deliveries of the paratroops.

We estimate, whether it is cargo or whether it is ton miles flown, or whether it is passengers delivered, that the Air Reserve forces, including the Air National Guard, participated about 25 percent in that entire operation. We had medical people involved right from the start. We had people calling in saying that they were prepared, they would like to be on standby from their employers, that they feel they should be at their unit. They wanted to be prepared to participate, even without the recall.

As you know, there was no recall. This was a pure volunteer effort from day one. We had, we estimate, if you go to a Guard or an Air Force Reserve unit for any contingency, if it is a real world contingency, you will have five hands in the air for every one that is selected. So we were delighted to be a part of that operation. It certainly is what the Guard and Reserve probably does best, is react to real world situations.

DEPARTMENT OF THE AIR FORCE

AIR NATIONAL GUARD

STATEMENT OF BRIG. GEN. DONALD W. SHEPPERD, ASSISTANT DIRECTOR, PLANS, POLICY AND PROGRAMS

General **SHEPPERD**. Senator Sasser, I would like to add one thing. I was in our operations center when H-hour kicked off, and because of the classification of the operation there was no advance notice given to our units.

We, immediately after H-hour, were allowed to alert our strategic airlift units and also our airlift control element [ALCE] teams that receive cargo coming in, that type of thing, and our aero-MEDEVAC units. As you remember, this was 3 days before Christmas, with no warning. We were on the phone immediately at 1 or 1:30 in the morning, and within 2 hours all of our ALCE units and all of our aero-MEDEVAC units called back to us, and every man and woman was available. They wanted to know where to report and when.

Also, on Christmas Eve I called the commander of our 172d Military Airlift Group in Mississippi, our C-141 strategic airlift unit, and he said, I have got all of our airplanes on the road, and of all of those crews, there is one full-time member of my unit, everyone else is a part-time soldier.

I think that is a good statement and I will not take any more of your time to add to what General Closner said, but I think the message from this operation is that if tough times come, it does not matter whether it is day or night, Christmas, birthday, or New Year's, the citizen-soldier is going to be there like he has in the past.

It was a very proud hour for us. We would be pleased to add the exact extent of our participation for the record.

[The information follows:]

AIR NATIONAL GUARD ROLE IN JUST CAUSE

During the recent Operation Just Cause in Panama, two ANG tactical fighter A-7 units (Toledo, OH and Sioux Falls, SD) flew 140 sorties. Additionally, nine ANG airlift units flew a total of 233 airlift sorties (57 missions):

Transported over 3,963 personnel and Nearly 2,000 tons of cargo: 105 Military Airlift Group (Stewart, NY)—C-5 aircraft, 14 missions (49 sorties); 172 Military Airlift Group (Jackson, MS)—C-141 aircraft, 21 missions (87 sorties); various C-130 units (Wilmington, DE; Dallas, TX; St. Joseph, MO; Channel Islands, CA)—22 missions (97 sorties).

Other units participating were: 193 Special Operations Group (Harrisburg, PA)—EC-130E aircraft, 18 missions (18 sorties); Aerial Port Operations—165 TAG, Savannah, GA provided people at Hunter AAF, 145 TAG, Charlotte, NC, moved deice equipment to Pope AFB; aeromedical personnel and equipment—172 MAG, Jackson, MS, 109 TAG, Schenectady, NY.

Units serving alert duty during the operation: Wing Airlift Control Elements at: 146 TAW, Channel Island, CA; 137 TAW, Will Rogers, OK; 136 TAW, Dallas, TX; 118 TAW, Nashville, TN; and 133 TAW, Minneapolis/St. Paul, MN.

PREPARED STATEMENT

Senator SASSER. Thank you very much, General Shepperd. We will insert your submitted statement in the record at this point and then move on to some questions.

[The statement follows:]

STATEMENT OF BRIG. GEN. DONALD W. SHEPPERD

AIR NATIONAL GUARD OVERVIEW

Mr. Chairman and members of the committee, it is my distinct pleasure to appear before this committee for the first time with the Air National Guard (ANG) Military Construction Program request for fiscal year 1991. The Milcon projects in this program are vital to support our conversions to more modern weapon systems, to support our growth into new missions, and to replace our aging and often antiquated physical plant.

With both a State and Federal mission, the Air National Guard is unique among the Air Reserve components. In 1990 the Air National Guard proudly celebrates 43 years of service to community, State, and Nation.

Air Guard units in a nonmobilized status are commanded by the Governors of the fifty States, the Commonwealth of Puerto Rico, the Territories of Guam and the Virgin Islands, and the Commanding General of the District of Columbia. Each Governor is represented in the chain of command by The Adjutant General (TAG).

Units may be called to Federal service by the President, Congress, or both, to enforce Federal authority, suppress insurrection, or to repel invasion. While call-up or mobilization authority is normally invoked to employ ANG forces in the Federal mission, specific instances occur in which mobilization authorities are not invoked but the ANG is called upon to augment active duty forces. We have just seen such an occurrence—Operation Just Cause in Panama which saw ANG A-7, C-141, C-130, C-5, communications and radar and medical units employed alongside active duty forces. In peacetime, ANG units are assigned to gaining Air Force major commands. These commands provide advisory assistance and evaluate unit training, safety, and readiness programs.

Today, the Air National Guard has over 116,000 members and provides 92 percent of the fighter interceptor force, 56 percent of the reconnaissance force, 48 percent of the tactical air support, 36 percent of the tactical airlift, 24 percent of the tactical fighters, 20 percent of the strategic air refueling capability, 19 percent of the rescue and recovery capability, and 6 percent of the strategic airlift capability of the U.S. Air Force.

Of the approximately 282 ANG mission support units, 150 provide manpower and resources to Air Force Communications Command. ANG combat communications, as well as engineering and installation units, provide 69 percent of the total Air Force resources.

Air Guard civil engineering units (Prime RIBS, Prime BEEF, and RED HORSE) provide 16,412 wartime-trained engineering, firefighting, and services personnel. Additionally, there are ten ANG aeromedical evacuation units accounting for 24 percent of Air Force capability, while 23 Air Guard units provide 14 percent of the total USAF aerial port resources.

Air Guard units from all mission areas participate annually in training deployments in and out of Conus. For example for the past ten years ANG A-7's have been deployed year-round in Panama. They were called upon during Just Cause to support U.S. operations in Panama and played a key role in restoring the country's democratic government. The ANG and the Air Force Reserve also share full-time responsibility for tactical airlift support throughout Central and South America.

Closer to home, ANG F-15, F-16 and F-4 units perform 24-hour air defense alert along the coasts and borders of the United States. The 154th Composite Group of the Hawaiian ANG flies F-15's to provide air defense of the Hawaiian Islands. Air Guard KC-135E tanker units have crews and aircraft on 24-hour alert to support strategic offensive requirements.

As our Nation marshalls its forces to combat one of our most deadly enemies—drugs—the ANG is on the leading edge of the struggle against drugs with both air and ground elements involved. The ANG has been, and will continue to be, a major contributor to the overall national strategy to combat drug traffic into the United States. All of this would not be possible without the staunch support of the Congress.

We appreciate the support and interest this Committee has shown to previous Military Construction programs, and especially to our fiscal year 1990 program. In fiscal year 1990 we were appropriated $238.3 million. We expect that by September 30 of this year we will have executed 100 percent of the approximately $200 million that the Office of the Secretary of Defense has apportioned to us. Additionally, we are operating under a $4.8 million Gramm-Rudman-Hollings sequestration which affected fiscal year 1990 by $2.463 million and fiscal year 1986–89 by a total of $2.292 million. As you know, the President has notified the Congress that he has deferred funds under the Impoundment Act to be reprogrammed to buy M–1 tanks and F–15 aircraft.

Our $66.5 million request for fiscal year 1991 is the lowest in more than 11 years. It is nearly $172 million lower than Congress appropriated in fiscal year 1990. This drastic reduction is a result of decreasing budgets throughout the Department of Defense. Our original request of $116 million was reduced by the Secretary of Defense.

While the Department of Defense budget is being reduced we in the Air National Guard continue to modernize. Our military construction backlog now exceeds $1.5 billion, and continues to grow. Our Milcon problem is further exacerbated by an aging physical plant and the need to replace approximately four billion square feet of facilities dating to 1945 and prior. At current funding levels, many construction projects needed today cannot be programmed until after the year 2015. In addition, replacement of over 3,000 underground fuel storage tanks is vital to prevent contamination of soil and aquifers on and around our bases.

Adequate facilities are critical to mission accomplishment, and to attract, train, and retain the kind of highly-qualified people the Air Guard seeks within its ranks.

We ask your support for our fiscal year 1991 Military Construction Program request. These construction projects are essential for the Air Guard to reach and maintain its wartime capabilities as part of the Total Force. Any reduction in this request will seriously impact the combat readiness of the Air National Guard.

Mr. Chairman, this concludes my statement on behalf of the Air National Guard's fiscal year 1991 Military Construction request. This committee's continued interest and support is sincerely appreciated, and I look forward to working with you in the future. I would be pleased to answer any questions that you may have pertaining to this statement.

OPERATION JUST CAUSE

General **Bultman**. Sir, if I may, on the Army Reserve side over 2,000 Reserve soldiers volunteered for Operation Just Cause. If I may address the comments made by the other services, besides the military police and the medical personnel, we also had a large number of people from civil affairs and psychological operation units.

What is interesting is that when you get into areas like running the prisons, setting up the court systems, repairing the railroads, and getting the phones operational, all of the personnel assets needed to do these things are in the Army Reserve. We understated our ability to get the volunteers. As I mentioned earlier, we had them standing in line during the holiday time, ready to go on very short notice to fill the requirement for volunteers.

There was no unit callup although they were standing up and ready to go. We sent reservists to Panama for the nation-building follow-on process. What we did was absolutely superb and a great compliment to the citizen soldiers who participated.

If I may add one other thing, as part of our followup, we have sent letters back to the employers telling them that we appreciated their efforts in letting these soldiers go at this critical time to serve their country. Every single business, company, or employer who responded said that he was proud of his employees and that he expected to support the Guard and Reserve that way.

So I think our Nation stood up. It just demonstrates once again that we are ready to take on those missions given to us by the regular force, sir.

Senator **Sasser**. Thank you. Frankly, I have no doubt that if the Congress continues to provide our Guard and Reserve with the proper resources—manpower, equipment, facilities, training—that you will continue to be an important element of our future military strategy. I hope that the Secretary of Defense can hold the line to those entrenched in the services who want to continue to hold onto their own force structure at the expense of the Guard and the Reserve.

In my view, we are going to have to reduce the cost of the national defense in the years ahead. I think that is generally conceded. The Guard and the Reserve, I think, can play a major role in the effort of assuming new missions and new responsibilities in these new years ahead. I hope the Department will endorse that and realize it before some bad decisions are made over there with regard to the Guard and the Reserve and with regard to trying to hold onto the present force structure at a time when the economics will just not allow it.

Let me turn now to Senator Stevens for any questions or statements he might wish to make.

Senator **Stevens**. Thank you, Mr. Chairman. I endorse what you have said. There is no question about that, that we have to maintain the emphasis that is needed to assure that these Guard and Reserve forces are there. And the Just Cause operation really does demonstrate what they can do, if tasked in a very short period of time to respond.

You know, I come from a State that is one-fifth the size of the United States, and I note that in this Milcon budget this year there is but $4 million for facilities for the Guard and Reserve, which is at a very low ebb, Mr. Chairman. We would expect that we would get some review of that as we go along, because I know that there were some items that were high priority that have been postponed by the Pentagon planning process.

One of them was the facility at Kulis for housing the new aircraft we are going to get now that the Guard has taken over the job of long-range search and rescue. I sometimes think I ought to take our colleagues to Alaska in the middle of December rather than in the middle of July, General, but getting them there at any time is a pleasure.

But these planes now that are going to be used in long-range search and rescue must be housed in hangars. I really have got to tell you I think that the one deletion that really is sad is that hangar space and the warehouse facility that is necessary for the new air search rescue squadron.

You know, Mr. Chairman, for years the long-range search and rescue in Alaska was an Air Force proposition. You have got to remember again, as I said, it is one-fifth the size of the United States. Our State is over 3,000 miles wide and 2,000 miles deep. It is as wide and as long as the continental United States.

It is just not possible for us to have the concept of search and rescue with so many international airlines and cargo planes and total use of airplanes in our area for transportation, particularly in the wintertime without having a long-range capability. The Air Force turned it over to the Guard, and the planes are coming now.

I am going to urge the committee to review the deletion of those facilities because I think it will just not be possible to operate this long-range capability on a National Guard basis unless these aircraft and the supplies that will be needed can be properly warehoused or put in hangars.

I know that, General Conaway, you and the Air National Guard people are familiar with this, but I hope as you come into the area of reviewing the plan that you will keep that in mind. It is my understanding that it is still one of the requests of the Air Guard. Is that correct, General?

General Conaway. It is a definite requirement, and it is needed to perform the mission. It just did not make the cut. But it is still required and is under design.

Senator Stevens. Let me just ask you one general question. Has there been some analysis of the concepts that are involved in the cost of maintaining some of our necessary response?

We just heard from General Bultman about the response of the volunteers to take on these specialized tasks after the Panama operation was over to establish the civilian government, and I think that is a very necessary kind of thing, but when I look at it, things like the refueling capability, as the Air Force does build down, it would seem to me the one thing that must be maintained, again, is that capability for emergency.

Have we analyzed the services in terms of cost to see what can be maintained at a lower cost, but really in a better status in the Guard system both in Army and Air Force to determine what should come out of the regular Army and out of the regular Air Force into the Guard? Is there some analysis going on now about that?

General Conaway. Sir, there definitely is. All the services are in on this, and they may want to each make a brief comment, but it is a very important question that you are asking. You all commissioned or directed that Secretary Cheney commission a Total Force mix study to look at this very thing, to see what missions are best suited and can go to the Guard and Reserve.

Honestly, I guess, when you commissioned this last year we did not know the world events of the last 6 months that were going to take place, so that study takes on even greater importance and it is off and underway.

These gentlemen here are all members, or their bosses are members of this particular study chaired by Assistant Secretary Chris Jehn, and the vice chairman is Assistant Secretary Steve Duncan—they are both Assistant Secretaries of Defense—with membership from all of the components on it, and it is looking at those mission areas.

You know, if we bring more forces back or you keep them over there, you have a greater mobility role. How much of that mobility role goes in the Guard and Reserve versus how much stays on active duty? How much will you need, at what op tempo—operational tempo versus a lower operational tempo—to make things work and last for a longer period of time?

But a lot of this is going on and to get the right mix and balance, I guess you have got to know where the mark is on the wall, the target of the size of our force. But I see great possibilities for using the National Guard and Reserve more in the area for mobility of forces.

Would you like to hear any other comments?

Senator **Stevens**. I know, General Navas, in our light division we have rounded out that division with Guard people. That, to me, is the kind of thing I am thinking about, but beyond that there are, I think, even to the point of the sealift and the airlift capability that is required to be maintained for mobilization, I would think that rather than demobilize some of these units we ought to move them over so that they are Guard and Reserve units. But again, it is sort of a nebulous concept in my mind.

I would hope that you all have, though, the analysis—I am talking about the analysis in terms of cost. We are a cost-oriented committee. Where can we preserve the same readiness at less cost? That is what I am interested in.

General **Navas**. Yes, sir; I think like General Conaway mentioned, the force mix study is looking exactly at that. There is a concept that we call in the Army Guard internally the Duncan matrix, because Mr. Duncan stated that we should look at the missions, and if the mission can be performed by the Guard or Reserve it should be assigned to the Guard or Reserve, and then those missions that could not be performed by the Guard or Reserve are those missions that should go to the active components.

Senator **Stevens**. General, is cost a factor?

General **Navas**. Yes, sir; I have—it is a notional chart that I have here that we are developing, and what we are saying is that if the time to deploy is in zero to 15 days, and we are just taking a notional figure, you would see that mostly they should be active components because the cost effectiveness of maintaining a unit to deploy within zero to 15 days should be in the active component.

Although there are some Reserve component-type units that could perform very well within that zero to 15 days, that could be very cost effective, like medical teams, JAG teams, for example, civil affairs units that are very light, individuals, highly skilled, that have that skill in their civilian occupation.

When you go to a 15- to 45-day deployment time, you see there that a mix of AC, Active component and Reserve component might be cost effective. Beyond 45 days of deployment, mostly Reserve component units would be very cost effective because they could be ready to deploy in that time and yet the cost of maintaining them in peacetime is very small, and I think that is basically what one of the results of the total mix force study is going to be. Not only what is the right mix, but the cost effectiveness of that mix and how to do it.

General **Shepperd**. Senator, we in the Air National Guard are involved in the forums you are speaking of, but one of the difficult things is determining an acceptable cost model, and that is part of the Total Force study.

I have seen figures that vary from 40 percent of the cost all the way up to 90 percent of the cost, and that is one of the things we are going to be zeroing in on as part of our Total Force study. The obvious thing is that Reserve forces are less expensive. I mean, that goes without saying. But on the other hand, that does not mean that we are cheap.

Trying to come up with an exact formula and an exact answer of what to put in Reserve forces based upon cost is very difficult. In the Air National Guard we are 25 to 27 percent full time. The rest of our people are part time and our ops tempo is about one-half of the active duty.

We built our system of units out there. Every unit can basically mobilize and deploy within 72 hours, unlike the 45 days that General Navas was talking about. We are part of those ongoing forums and that is a very difficult issue that you are zeroing in on, is how much do you cost and can you serve as well as an active duty unit?

There are things that clearly belong on active duty—special forces capability, contingency forces, nuclear alert, and so forth. Many of these other areas that require rapid deployment and rapid mobilization belong to the Air Guard. We feel we are a good bargain.

Senator STEVENS. Thank you very much. Mr. Chairman, I have got to go. I have a meeting in my office on another matter of military concern.

But I would say this. Senator Stennis and I over a period of time had the idea that we ought to be able to maintain a considerable portion of our obligation in both NATO and in Korea with Guard forces, having but a cadre in each area to be supportive of constantly rotating Guard and to a certain extent Reserve forces that would be there only part time, obviously, for a short period of time.

We mandated a couple of experiments on that. Of course, this was before, as you mentioned, General Conaway, any of us had any idea there would be these dramatic changes, but I think these changes just reinforce that plan of trying to maintain a visible commitment, or maintain the visibility of our commitment, but not with permanent forces and with increasing participation and really granting the opportunity to Guard and Reserve people to spend more time in their training overseas.

I would think that would be one of the great incentives for guardsmen and some Reserve people, to know that say, once every 2 years, they would be able to select an area and go participate, winter or summer, whenever it be, in an exercise that was designed to maintain our visibility, maintain the knowledge abroad that we do have this commitment we are going to maintain as far as our country is concerned, in both of those areas, without the horrendous cost of maintaining those cities in Europe and cities in Korea for the people that are assigned there permanently.

That is what I am talking about cost, General. Looking at the total cost of that commitment and finding a way to meet it at considerably reduced expenditure.

General CONAWAY. Sir, you have a good point, and because of what the Senate Appropriations Committee has done, there are two great success stories in Europe today, an AVCRAD—an aviation repair facility that the National Guard has in Brussels where they overhaul and repair Army helicopters and aircraft in the European theater, and then the HEMCO, the heavy equipment maintenance company at Kaiserslautern. That is a joint holding that has Army Reserve, Army National Guard, continuous rotation, where they work on vehicles and repair and overhaul vehicles.

I have seen both of those personally and they are every bit as fascinating to watch and to see the great pride and esprit de corps that the troops have as it is to go down to Panama and see the rotations that the Air Force Reserve and Air National Guard do with the C-130's down there, and I think we will probably have to do more of that.

Sir, as you are leaving, this new security strategy that just came out—national security strategy of the United States—by President Bush dated March 1990, says a lot of what you are saying.

Just one paragraph in here says:

> For almost two decades our Total Force policy has placed a significant portion of our total military power in a well-equipped, well-trained and early mobilizing Reserve component. Various elements of that policy, the balance between Active and Reserve Forces, the mix of units in the two components, the nature of the mission, given Reserve Forces, are likely to be adjusted as we respond to changes in the security environment. Reserve Forces are generally less expensive to maintain than their active counterparts, so as we adjust force structures, retaining Reserve units is one alternative for reducing cost while still hedging against uncertainties. It is an alternative we must thoroughly explore, especially as we better understand the amount of warning time we can expect for a major conflict.

That is just hot off the press.

Senator STEVENS. Thank you very much, Mr. Chairman.

Senator SASSER. Thank you very much, Senator Stevens, for joining us this morning.

ADDITIONAL COMMITTEE QUESTIONS

General Conaway, I will say to you and your colleagues we will have additional questions dealing with the environment for the record and would ask a quick response. In the interest of time this morning we are going to submit those for the record.

We thank you, General Conaway, and your fellow general officers for appearing here this morning and testifying and giving us the benefit of your views.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR JIM SASSER

ENVIRONMENTAL PROGRAMS

QUESTION. I would like to ask each of you to tell us about your environmental programs. How much are you spending on environmental clean-up; what are your estimated environmental requirements; and what will be the impact on the mission if you do not get the funds required to perform environmental clean-up?

ANSWER. The United States Army Reserve (USAR) has provided to the Major United States Army Commands (MACOMS) $5.0 million in fiscal year 1990 funds for environmental requirements. These funds were obtained from the USAR Operations and Maintenance, Army Reserve (OMAR) account. In addition, the most recent environmental requirements report prepared by the MACOMS increased the funds required in fiscal year 1990 to $7.7 million. The same environmental report also increased the funding required for environmental projects in fiscal year 1991 from $3.0 million to $6.5 million. All of the projects are for mandatory environmental compliance requirements. The environmental projects programmed in the 1992-1997 years average $3.0 million per year in OMAR funds. The programmed funds will be used to meet all known Category I requirements. Other specific remediation projects are likely to arise and OMAR dollars intended for other purposes will be used by necessity to fund these requirements as they are identified. As a consequence, some high priority operation and maintenance accounts will suffer resulting in further deterioration of an aging physical plant inventory. If sufficient funds are not available to meet all environmental regulations as problems are identified, some USAR facilities could be forced to cease or severely reduce operations. Facility managers and the USAR chain of command could face civil and/or criminal fines for failing to comply with the appropriate environmental regulations. If our training centers have to reduce operations and/or cease activities, training of the USAR soldiers would be hindered, and readiness of the units would be affected adversely.

FY 91 GUARD AND RESERVE CONSTRUCTION PROGRAM

Question: How much are you currently spending on environmental clean-up; what are your estimated environmental requirements; and what will be the impact on the mission if you do not get funds required to perform environmental clean-up?

BG Navas: The Army National Guard is currently expending $14.4 million for environmental compliance and $1.138 million on environmental clean-up in FY 90. Estimated FY 91 compliance requirements are $27.1 million budgeted (Class I) and $16.2 million unfinanced requirement (Class

II & III) for a total of $43.3 million. Estimated environmental clean-up cost for FY 91 is $9.225 million (Defense Environmental Restoration Program-DERP). An additional Class II requirement exists to upgrade all Army National Guard underground storage tanks to meet 1998 standards, funding requirements (shortfall) $20 million per year FY 91-97. Impact on mission will be widespread throughout ARNG activities to include logistics ability to provide disposal of hazardous waste, restricted training due to administrative orders for non-compliance, facilities construction delays, and commanders placed in legal jeopardy.

QUESTION: I would like to ask each of you to tell us about your environmental programs. How much are you currently spending on environmental cleanup; what are your estimated environmental requirements; and what will be the impact on the mission if you do not get the funds required to perform environmental cleanup?

ANSWER: The Naval Reserve environmental program is well established and actively pursuing compliance of environmental law at all sites under its cognizance. Recent efforts have included hiring new staff personnel, completing a hazardous waste/material inventory of all Naval Reserve centers, awarding engineering contracts for detailed asbestos surveys of Naval Reserve facilities in the eastern United States, developing a plan to correct problems with underground fuel storage tanks, and aggressively replacing electrical transformers containing PCBs. Over the past few years we have been spending $2 million per year on environmental problems. In FY 1990 the Navy was able to provide an additional $18 million for correction of critical environmental problems.

It is estimated that the cost to completely meet all environmental requirements including complete asbestos removal for the Naval Reserve is $121 million dollars. In the near term, the underground fuel storage tanks problems and hazardous waste storage facilities are of concern. The correction of these two problems is estimated to cost $7.8 million dollars. Asbestos removal which is estimated to cost $75 million can be undertaken at a somewhat slower pace as facilities are scheduled for repair and renovation.

If funding is not available to correct the environmental problems in a timely manner "Cease and Desist Orders" may be issued and the mission at affected facilities could be seriously impacted. This is particularly true at our Reserve Air Stations where more hazardous materials are handled, and fueling operations are critical to operations.

QUESTION: I would like to ask each of you to tell us about your environmental programs. How much are you currently spending on environmental clean-up; what are your estimated environmental requirements; and what will be the impact on the mission if you do not get the funds required to perform environmental clean-up?

ANSWER: In FY 1990 the Marine Corps Reserve is spending $54 thousand on environmental clean-up:

Underground Fuel Tank Removal	$7.5 thousand
Lead abatement at indoor firing ranges	$10.0 thousand
POL Shed construction	$36.5 thousand

In addition, $1.4 million is being spent in FY 1990 and 1991 for asbestos removal as a part of our whole center repair projects.

Estimated environmental requirements for FY 1991 are $75 thousand for hazardous waste contamination cleanup, surveys and environmental documentation associated with Military Construction, Naval Reserve projects.

Should the required environmental funding not be received, maintenance and repair projects funds will be adjusted to address environmental compliance requirements. Such action would, however, detract from our maintenance and repair program.

ENVIRONMENTAL PROGRAMS

QUESTION: I would like to ask each of you to tell us about your environmental programs. How much are you currently spending on environmental clean-up?

ANSWER: It is difficult at this time to recover our environmental costs since money is spent on a large variety of items at over 154 locations. Our best estimates is that we are spending in FY 90, $8.5 million of Military Construction Program (MCP); $10.5 million of Real Property Repair and Maintenance (RPM) and $12.7 million of Defense Environmental Restoration Account (DERA) funds.

QUESTION: What are your estimated environmental requirements?

ANSWER: Environmental Protection Agency (EPA) regulations requires the upgrade of underground tanks by 1998. The cost to upgrade or replace our tanks is estimated at over $300 million. Our limited MILCON budget cannot support this. We need appproximately $60 million per year. Delaying funding will compress the work, making it difficult to accomplish within our contracting capability.

We need $30 million of Operations and Maintenance (O&M) funds for our environmental compliance work. We have received only $3 million for this work from Air Force environmental funds.

We need $35 million of DERA funding to continue our program. In FY 90 we requested $25 million and received $12.7 million resulting in our not having the ability to start work at any additional installations.

QUESTION: What will be the impact on the mission if you do not get the funds required to perform environmental clean-up?

ANSWER: Action to upgrade the tanks would be deferred which will likely result in EPA and/or the states taking legal action to require the upgrade of the tanks.

Over 50 percent of our tanks are over 25 years old making it likely that over 40 percent have leaked or are leaking. Leaving them in the ground will continue the process of contamination and will increase the clean-up cost.

O&M funds can be used to improve the environmental soundness of the tanks that are not leaking and to replace or repair those that are leaking. This bandaid approach will lead to continued testing and replacement. This limited approach would cost over $30 million a year for the next six years and would cause an adverse drain on our $50 million of facility maintenance budget. Reduced maintenance and repair of our facilities will impact the units effectiveness and readiness.

Not receiving adequate funding for the environmental compliance work will cause EPA and the states to issue notice of violation to our units. These actions will result in bad publicity, poor community relationship and would likely impact recruiting.

Funding below $35 million of the DERA will continue any contamination occurring from past hazardous waste actions. Our inability to do site investigations at our unit could result in a public health hazard existing without our knowledge. Again the lack of funding will result in EPA and/or the states taking enforcement action.

I would like to ask each of you to tell us about your environmental programs.

QUESTION: How much are you spending on environmental clean-up?
ANSWER: The Air Force Reserve will spend approximately $6.8 million in FY 90 towards environmental compliance; $5.7 million from the operations and maintenance (O&M) account and $1.1 million from the Defense Environmental Restoration Account (DERA).

QUESTION: What are your estimated environmental requirements?
ANSWER: The estimated FY 91 through 97 environmental requirement for the AFR is approximately $48.8 million; $30.6 million in O&M and $18.2 million in DERA.

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QUESTION: What will be the impact on the mission if you do not get the funds required to perform environmental clean-up?
ANSWER: Compliance for the various environmental media is based on federal, state, or local laws. Meeting regulated requirements pertaining to environmental compliance is not optional. Failure to comply will result in the imposition by enforcement authorities of civil and criminal penalties against federal employees and fines against federal facilities. Therefore, environmental compliance is a "must pay" item. Funds necessary to meet the requirements will be provided from existing accounts if environmental funds are not provided. As a result, less funding will be available for mission activities, resulting in potential mission capability degradation.

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QUESTIONS SUBMITTED BY SENATOR ROBERT C. BYRD

GUARD AND RESERVE MILITARY CONSTRUCTION IN WEST VIRGINIA

QUESTION: Please update for the record, the status of the Army, Navy and Air Force task forces which have been appointed by the several service Secretaries at my request to increase the military presence in West Virginia, especially in the areas of the Guard and Reserve.
ANSWER: The Army Staff has examined the structure of all three components of the Army currently located in West Virginia and the structure scheduled for activation. Their assessment indicates that current and programmed structure are balanced based on demographic analysis.
Active Component structure consists of elements of U. S. Army Recruiting Command; Reserve Officer Training Corps, and a Military Entrance Processing Station.

As of January 31, 1990, West Virginia U.S. Army Reserve units' assigned strength was 88% of authorized (3,767 authorized, 3,311 assigned). However, the six units activated in FY88 make up the majority of the understrength units. These units' aggregate percentage is slightly over 57%. The West Virginia Army National Guard strength was 88% of authorized (4,151 authorized, 3,651 assigned).

The Navy found that the Naval and Marine Corps Reserve have the needed facilities to support their current and anticipated needs in West Virginia.

The Air Force task force on West Virginia recommendation no additional force structure in West Virginia in the foreseeable future. Due to severe DoD budget constraints, the Air Force has proposed significant force structure reductions in the Active force and their Reserve components. Some modernization of Air National Guard force structure in West Virginia was accomplished due to Active force reductions. However, the Air Force will continue to look for force structure candidates as additions to existing locations in West Virginia, when resources are available.

QUESTION: What is the latest status of the nine new Army and Air Force Reserve units established at my request in West Virginia which will provide nearly 1,300 full and part-time jobs with an annual economic impact of more that $13 million most of which were outlined in Secretary Marsh's letter to me dated March 15, 1988?

ANSWER: As of January 31, 1990, the status of the U.S. Army Reserve units outlined Secretary Marsh's letter is:

UNIT	STATUS	LOCATION	DATE	AUTH/ASG
3rd Bde, 80th Tng Div	Activated	Charleston	18Sep88	59/28
2nd Bn, 320th Rgt	Activated	Beckley	18Sep88	128/56
3rd Bn, 320th Rgt	Activated	Charleston	18Sep88	128/91
302d Fld Hosp	Activated	Huntington	17Sep88	405/243
473d Med Co. Amb	Activated	Ripley	16Sep88	99/48
313th MP Det, PWIC	Activated	Myrtle	16Sep88	62/41

The two remaining units, the 386th MI Co and the 396th Heavy Equipment Maintenance Co, have been delayed due to funding constraints and equipment shortages. While they remain in the USAR force structure program, it is not possible to predict if or when resources will be available to field these units or if the force requirement will remain valid.

The only Air Force Reserve unit, Detachment 1, 911th Civil Engineering Squadron, Morgantown, West Virginia, was activated on July 1, 1988. The unit is authorized 50 positions and is currently manned at 98%. The unit is combat ready and training is accomplished in temporary facilities. Construction began August 1989 for a permanent facility, and completion is scheduled for September 1990.

QUESTION: What specifically is the status of the new 62-member 313th Military Police Detachment being established at my request in Logan County?
ANSWER: The 313th Military Police Detachment, Prisoner of War Information Center was activated September 16, 1988 in Charleston, West Virginia. Effective November 17, 1989, the unit moved to the Myrtle USAR Center, located on US Route 119, Myrtle, West Virginia. The unit has received its equipment and has 41 of the 62 personnel authorization filled (66%).

QUESTION: What are the plans for rental facilities and eventually a new Reserve center for this unit?
ANSWER: Effective November 17, 1989, the unit moved to the Myrtle USAR Center. This is a leased facility located on US Route 119, Myrtle, West Virginia. Now that the unit has achieved more than 50% of its authorized strength, military construction for a permanent facility will be programmed.

QUESTION: What is the status of the two new Army National Guard air ambulance (helicopter) units which were scheduled to be activated at Parkersburg in September 1989, in response to my request?
ANSWER: One detachment was activated and one was not activated. Under the Medical Force 2000 Concept, the one detachment will become the nucleus for an Aeromedical Company. The 146th Medical Company will have 12 UH-1H helicopters authorized instead of two air ambulance detachments, each with six helicopters.

QUESTION: What is the status of rental facilities and construction of a new facility for the 302nd Army Reserve Field Hospital which was recently established at my request in Huntington, West Virginia? It appears that this unit merits a new facility to be constructed as soon as possible. How much would be required for land acquisition?
ANSWER: Efforts to identify a suitable leased facility in the Huntington area to accommodate this unit are continuing. Current unit authorized strength calls for a 400-member center that would require approximately eight acres of land. Future force structure changes may increase the requirement for a 600-member center and approximately ten acres of land.

QUESTION: Does there exist a backlog of Reserve Centers and Armories in West Virginia? If so, please provide for the record a listing of the West Virginia projects in the backlog along with a short description of each project and the estimated cost of each project.

ANSWER: The Army National Guard has the following West Virginia projects identified in their backlog. The state project priority is noted in the parenthesis in the Federal current working estimate (CWE) column.

LOCATION	DESCRIPTION	FEDERAL CWE ($000)	PROJECT
Beckley	Armory Add/Alt	1,000 (37)	Construct an addition/ alteration to existing facility constructed in 1962.
Bluefield	Armory Add/Alt	1,322 (10)	Construct an addition/ alteration to existing facility constructed in 1964.
Bluefield	OMS Add/Alt	750 (24)	Construct an addition/ alteration to existing facility constructed in 1973.
Buckhannon	Armory Alt/Add	1,022 (32)	Construct an addition/ alteration to existing State owned armory constructed in 1950.
Charleston	Armory Storage/ Training	3,122 (1)	Construct a new facility to replace the existing State owned armory constructed in 1962.
Clarksburg	Armory Add/Alt	1,211 (20)	Construct an addition/ alteration to existing facility constructed in 1963.
Dunbar	Armory Add/Alt	1,409 (18)	Construct an addition/ alteration to existing facility constructed in 1959.
Elkins	Armory Add/Alt	1,179 (21)	Construct an addition/ alteration to existing facility constructed in 1962.
Fairmont	Armory Add/Alt	1,794 (9)	Construct an addition/ alteration to existing facility constructed in 1963.

Gassaway	Armory Add/Alt	1,250 (19)	Construct an addition/ alteration to existing facility constructed in 1961.
Hinton	Armory Add/Alt	888 (33)	Construct an addition/ alteration to existing facility constructed in 1962.
Huntington	Armory, Armed Forces Center	2,779 (8)	Construct a new Center to replace existing State-owned facility constructed in 1964.
Huntington	OMS	1,050 (14)	Construct a new OMS for the facility constructed in 1975.
Keyser	Armory Add/Alt	1,106 (27)	Construct an addition/ alteration to existing facility constructed in 1962.
Kingwood	Armory Add/Alt	3,321 (2)	Construct an addition/ alteration to existing facility constructed in 1963.
Kingwood	OMS	1,050 (4)	Construct a new OMS to replace the existing OMS located in a congested area at Camp Dawson. Existing shop will continue to be utilized as a Bn maintenance facility for units training at Camp Dawson.
Logan	Armory Add/Alt	1,007 (29)	Construct an addition/ alteration to existing facility constructed in 1961.
Martinsburg	Armory Add/Alt	1,173 (17)	Construct an addition/ alteration to existing facility constructed in 1976.
Montgomery	Armory Add/Alt	1,061 (35)	Construct an addition/ alteration to existing facility constructed in 1962.

Morgantown	Armory Add/Alt	1,105 (36)	Construct an addition/ alteration to existing facility constructed in 1964.
Moundsville	Armory Storage & Training	1,963 (16)	Construct a new armory facility to replace the existing armory constructed in 1960.
Oak Hill	Armory Add/Alt	1,855 (6)	Construct an addition/ alteration to existing facility constructed in 1954.
Parkersburg	Armory Add/Alt	1,265 (26)	Construct an addition/ alteration to existing facility constructed in 1960.
Parkersburg	OMS Add/Alt	700 (5)	Construct an addition/ alteration to existing shop constructed in 1975. Insufficient space exists in administrative, supply, parts break and locker room, and bulk equipment bay.
Parkersburg	Armory Storage & Training	1,829 (15)	Construct a new armory to replace the existing facility constructed in 1972.
Princeton	Armory Storage & Training	1,482 (38)	Construct a new armory to replace the existing armory constructed in 1934 and renovated in 1957. Facility does not meet minimum security requirements.
Richwood	Armory Add/Alt	1,752 (7)	Construct an addition/ alteration to existing facility constructed in 1959.

Ronceverte	Armory, Armed Forces Center	1,337 (11)	Construct a center to replace the existing armory. Original armory, consisting of 4880 SF, was purchased by the State of WV in 1949. Facility was expanded to 14,000 SF in 1960.
Salem	Armory Add/Alt	986 (30)	Construct an addition/ alteration to existing facility constructed in 1962.
Spencer	Armory Add/Alt	859 (34)	Construct an addition/ alteration to existing facility constructed in 1962.
St. Albans	Armory Add/Alt	1,825 (13)	Construct an addition/ alteration to existing facility constructed in 1963.
St. Albans	OMS	1,050 (12)	Construct a new OMS for the facility constructed in 1961.
Welch	Armory Add/Alt	971 (31)	Construct an addition/ alteration to existing facility constructed in 1961.
Weston	Armory Add/Alt	992 (28)	Construct an addition/ alteration to existing facility constructed in 1962.
Williamson	Armory Add/Alt	1,109 (23)	Construct an addition/ alteration to existing facility constructed in 1958.

There are two Army Reserve projects in the military construction backlog for West Virginia.

LOCATION	PROJECT	FEDERAL CWE($000)	DESCRIPTION
Huntington	New USARC/ OMS	not determined at this time	Provide a facility for the assigned soldier training and equipment storage and maintenance.

Myrtle	New USARC/ OMS	not determined at this time	Provide a facility for the assigned soldier training and equipment storage and maintenance.

There is no backlog of centers for the Naval and Marine Corps Reserve, Air National Guard or Air Force Reserve in West Virginia.

QUESTION: What is the status of the two Army National Guard and five Army Reserve projects added in the FY 90 Senate Appropriation MILCON Report 101-130?

ANSWER: For the Army National Guard:

Wheeling - The Wheeling Army Aviation Support Facility/Armory is authorized to be designed and has a signed contract for architect/engineer services.

Buckhannon - The United States Property & Fiscal Office (USP&FO) warehouse project has been reviewed. The design is ready to be authorized, however, the project requires a waiver from Office of the Assistant Secretary of the Army Installations and Housing, OASA (IL&E) in order to construct in a known flood zone.

For the U.S. Army Reserve:

Beckley - "Friendly" condemnation of approximately 10 acres of land in the Raleigh Airport Industrial Park will commence when the OSD moratorium on expenditure of military construction funds is lifted. Design of the facility has been initiated and currently stands at three percent.

Elkins - Negotiation for acquisition of approximately four acres of land owned by Mr. Max Pritt, Jr. will commence when the OSD moratorium on expenditure of military construction funds is lifted. Design of the facility has been initiated and currently stands at one percent.

Kingwood - Negotiation for acquisition of approximately five acres of land owned by Interstate Lumber Company will commence when the OSD moratorium on expenditure of military construction funds is lifted. Design of the facility has been initiated and currently stands at one percent.

Morgantown - Negotiation for acquisition of approximately six acres of land owned by Oleksa Enterprises will commence when the OSD moratorium on expenditure of military construction funds is lifted. Design of the facility has been initiated and currently stands at one percent.

Rainelle - The exchange agreement for this land exchange is under development by the Baltimore District, US Army Corps of Engineers and is expected to be completed in March 1990. Design of the facility has been initiated and currently stands at three percent.

QUESTION: What is the status of the thirty-seven projects listed in the FY90 Senate Appropriation MILCON

Report 101-130 and directed to be included in the FY91 Budget request?

ANSWER: The Army National Guard projects directed to be included in the FY 91 Budget request are shown below. These projects are not included in the FY 91 Budget request because West Virginia did not submit any project documentation (DD Forms 1390/91):

LOCATION	PROJECT	FEDERAL $000	REMARKS
Charleston	Armory/Ed Fac	1,125	No documents
Camp Dawson	Trng Site: Ph IV	1,135	No documents
Kingwood	Armory/Ed Fac	2,100	No documents
Kingwood	OMS	575	No documents
Ronceverte	Armory	900	No documents
Princeton	Armory	1,200	No documents
Parkersburg	Armory	2,000	No documents
Parkersburg	OMS Addition	600	No documents
Oak Hill	Armory Add/Alt	1,000	No documents
Gassaway	Armory Addition	652	No documents
Spencer	Armory Addition	577	No documents
Welch	Armory Addition	509	No documents
Hinton	Armory Addition	481	No documents
Richwood	Armory Addition	474	No documents

The U.S. Army Reserve project status is:

Bluefield - Project documentation for this alteration/expansion project has been requested from Forces Command. Additional real estate is required and contiguous land may be available. Design will be initiated when the government gains control of the selected site either by option to purchase or fee acquisition.

Charleston - Validation of responses to the advertisement for available land will be conducted in Charleston on 12 March 1990. Project documentation for this alteration/expansion project has been requested from Forces Command. Design will be initiated when the government gains control of the selected site either by option to purchase or fee acquisition.

Clarksburg - Facility requirements are being reviewed by the Army Reserve chain of command to determine if existing government-owned land is sufficient to support construction of the Reserve center and organizational maintenance shop (OMS). If sufficient for construction of the center and OMS, land acquisition will be initiated for only the area maintenance support activity (AMSA). If not sufficient to support the center/OMS construction, land acquisition will be initiated for the center/OMS/AMSA, and the existing government-owned real property will be excessed.

Grantsville - Land acquisition has been initiated. Design will be initiated when the government gains control of the selected site either by option to purchase or fee acquisition.

Jane Lew/Weston - Land acquisition has been initiated. Design will be initiated when the government gains control of the selected site either by option to purchase or fee acquisition.

Lewisburg - Land acquisition has been initiated. Design will be initiated when the government gains control of the selected site either by option to purchase or fee acquisition.

Valley Grove/Wheeling - Land acquisition has been initiated. Design will be initiated when the government gains control of the selected site either by option to purchase or fee acquisition.

Weirton - Land acquisition has been initiated. The existing government-owned land will not support required construction and will be excessed. Design will be initiated when the government gains control of the selected site either by option to purchase or fee acquisition.

The Air National Guard provides the following status:

PROJECT TITLE	PROGRAM AMOUNT	STATUS FEB 90	QTR 35% DSN	QTR 100% DSN
YEAGER AIRPORT				
Operations & Training Complex	12,100	/1/		
-Site Preparation/Utilities	(1,600)	Design	4/90	1/91
-Composite Operations and Training Facility	(5,100)	Design	4/90	1/91
-Security Police Facility	(600)	Design	4/90	1/91
-Civil Engineering Complex	(1,800)	Design	4/90	1/91
-Base Supply Warehouse	(3,000)	Design	4/90	1/91
Addition and Alteration to Reserve Forces Operational Training Facility	1,450	/2/		
Telecommunications Facility and Upgrade Warehouse and Hangar	1,260			
-ADAL Telecom Facility	(500)	Design	4/90	1/91
-Upgrade Base Supply Whse	(275)	/3/		
-Upgrade Maintenance Hangar	(760)	100% designed; awaiting funds		

/1/ Final acquisition directive is being processed to purchase the land required for this construction (land acquisition - $300,000; FY 90 P-341 funds).

/2/ This project has been cancelled based on the revised Master Plan to construct the new Operations and Training Complex listed above.

/3/ This project has been cancelled based on the revised Master Plan to construct the new Base Supply Warehouse in the new Operations and Training Complex listed above.

PROJECT TITLE	PROGRAM AMOUNT	STATUS FEB 90	QTR 35% DSN	QTR 100% DSN
EWVRA, SHEPHERD FIELD				
Alterations to Small Aircraft Maintenance Dock	480	/1/		
Fire Station	1,100	Design	4/90	1/91
Vehicle Maintenance Shop	1,700	Design	4/90	1/91
Control Tower	1,000	Design	/2/	
Small Arms Range	750	Design	4/90	1/91
Add to Avionics and Medical Facility	950	/3/		
-ADAL Avionics Facility	(400)	Design	3/90	4/90
-ADAL Medical Training	(550)	Design	4/90	1/91
Jet Fuel Storage Complex	3,300	/4/		

/1/ FY 90 MILCON project to Alter the Operations and Training Facility ($480,000) will satisfy this requirement. The FY 90 project will be ready to advertise for bids in June 1990.

/2/ Preliminary design has been initiated; design completion date unknown at this time, pending review of technical requirements. Estimated cost is $2.6 million.

/3/ Estimated cost to ADAL Medical Training Facility is $550,000; estimated cost for these two projects is $950,000.

/4/ This FY 90 project is 100% designed and ready to advertise for bids.

QUESTION: What is the feasibility of transferring the 3rd Brigade of the 80th Training Division to the 99th ARCOM?

ANSWER: The 3rd Brigade of the 80th Training Division is a Table of Distribution and Allowances training base unit and not a deployable combat brigade. Its addition to the 99th ARCOM would not enhance the mobilization readiness or war-fighting capability of the Army Reserve. Therefore it is not recommended that the unit be transferred to the 99th ARCOM.

QUESTION: The Army Reserve was directed in the FY90 Senate Appropriation MILCON Report 101-130 to utilize $900,000 from minor construction for land acquisition for the Charleston Reserve Center. What is the status of the land acquisition? And what is the status of obtaining leased facilities for elements currently in Charleston?

ANSWER: Requests for proposals have been advertised by Baltimore District, US Army Corps of Engineers. Validation of responses was conducted in Charleston on March 12, 1990. A facility owned by Mr. James Smith has been identified as acceptable to the Army Reserve. Baltimore District is presently waiting Mr. Smith's proposal for the cost of required alterations.

QUESTION. The Air National Guard was directed in the FY 90 Senate Appropriation MILCON Report 101-130 to utilize $300,000 from minor construction for land acquisition at the Yeager ANG Base. What is the status of the land acquisition?

ANSWER. The final acquisition directive, for Yeager ANG Base, is being processed by the Corps of Engineers to purchase the land required for this construction.

QUESTION: Please update for the record the information provided in previous years regarding which construction projects are contemplated in the latest Reserve and National Guard Five Year Plans for West Virginia. Please indicate the project description, the location, the estimated cost and the fiscal year in which the project is contemplated, as well as include a standard form 1391 in the record for each proposed or ongoing project. Please breakout the update to show the projects directed for inclusion in FY91, the status of those projects listed in last year's testimony, and new projects added to the five year plans.

ANSWER: The Army National Guard provides the following information:

PROJECT	LOCATION	FY	EST COST
ONGOING			
Aviation Add/Alt	Parkersburg	89	$5,048,000
Trng site: Phase II	Camp Dawson	89	$2,237,000
Trng site: Phase III	Camp Dawson	89	$1,474,000
Armory Add/Alt	Huntington	90	$ 546,000
Limited Army Aviation Support Facility	Wheeling	90	$3,833,000
Armory	Wheeling	90	$1,493,000
United States Property and Fiscal Officer Facility Add/Alt	Buckhannon	90	$1,822,000

PLANNED

No documents (DD Forms 1390/91) have been submitted by the state for any future years (Five Year Plan). The following projects were directed to be included in the FY 91 Budget request. Since no project documentation has been submitted by the state, the following projects have not been included in the FY 91 budget request:

LOCATION	PROJECT	FEDERAL $000	REMARKS
Charleston	Armory/Ed Fac	1,125	No documents
Camp Dawson	Trng Site: Ph IV	1,135	No documents
Kingwood	Armory/Ed Fac	2,100	No documents

Kingwood	OMS	575	No documents
Ronceverte	Armory	900	No documents
Princeton	Armory	1,200	No documents
Parkersburg	Armory	2,000	No documents
Parkersburg	OMS Addition	600	No documents
Oak Hill	Armory Add/Alt	1,000	No documents
Gassaway	Armory Addition	652	No documents
Spencer	Armory Addition	577	No documents
Welch	Armory Addition	509	No documents
Hinton	Armory Addition	481	No documents
Richwood	Armory Addition	474	No documents

U.S. ARMY RESERVE

Currently, there are no Army Reserve construction projects programmed for West Virginia in the Five Year Plan. As indicated, facilities will be programmed for Myrtle and Huntington, West Virginia.

LOCATION	PROJECT	FEDERAL CWE($000)	STATUS
	FY 89		
Parkersburg	200-member USARC/OMS/AMSA	3,288	Under const, estimate compl Aug 90
	FY 90		
Beckley	300-member USARC/OMS	3,200	Land to be acq, design at 3%.
Elkins	60-member USARC/OMS	1,400	Land to be acq, design at 1%.
Kingwood	100-member USARC/OMS	1,400	Land to be acq, design at 1%.
Morgantown	100-member USARC/OMS	1,900	Land to be acq, design at 1%.
Rainelle	200-member USARC/OMS	2,200	Land exchange agreement under development, design at 3%.

FY 91

Bluefield	150-member USARC/OMS	942	Land req'd, design will be initiated when land acquired.
Charleston	400-member USARC/OMS	5,000	Land req'd, design will be initiated when land acquired.
Clarksburg	200-member USARC/OMS	1,345	Land may be req'd design will be initiated when land acquired.
Clarksburg	Area Maint Support Act. (AMSA)	716	Land req'd, design will be initiated when land acquired.
Grantsville	150-member USARC/OMS	1,538	Land req'd, design will be initiated when land acquired.
Jane Lew/ Weston	60-member USARC/OMS	1,183	Land req'd, design will be initiated when land acquired.
Lewisburg	60-member USARC/OMS	1,025	Land req'd, design will be initiated when land acquired.
Valley Grove	Area Maint Support Act. (AMSA)	834	Land req'd, design will be initiated when land acquired.
Weirton	200-member USARC/OMS	1,282	Land req'd, design will be initiated when land acquired.
Wheeling	150-member USARC/OMS	1,345	Land req'd, design will be initiated when land acquired.

FUTURE MCAR CONSTRUCTION IN WEST VIRGINIA

Huntington	New USARC/ OMS	not determined at this time	Provide a facility for the assigned soldier training and equipment storage and maintenance.
Myrtle	New USARC/ OMS	not determined at this time	Provide a facility for the assigned soldier training and equipment storage and maintenance.

There are no Naval or Marine Corps Reserve projects in the Five Year Defense Program for West Virginia.

The Air National Guard Military Construction Program in West Virginia follows:

PROJECT NAME	FY			STATUS	EST COST	
YEAGER AIRPORT (ANG)					$ mil	
Vehicle Maint/Ref Veh Shop	88	(B)		CNS	1.1	
Add/Alt Jet Fuel Stor Complex	89	(B)		CNS	1.7	
Add/Alt Squadron Ops	89	(B)		CNS	0.9	
Add to San Sewer Mains	89			CNS	0.3	
Security Police Add/Alt (X)	90	(B)		DSG	0.3	
Land Acquisition	90	(B)		PRG	0.3	
Planning and Design	90	(B)			1.2	
Add/Alt POL Lab/Pumphouse	92	(C)		DSG	0.3	/1/
Add/Alt Telecomm Facility	92	(A)	(B)	DSG	0.5	/2/
Composite Ops and Training	92	(A)	(B)	DSG	5.2	
Security Police Facility	92	(A)	(B)	DSG	0.6	
Civil Engineering Complex	92	(A)	(B)	DSG	1.8	
Base Supply Warehouse	92	(A)	(B)	DSG	3.0	
Site Preparation	92	(A)		DSG	1.8	
Upgrade Maintenance Hangar (Y)	92	(A)		DSG	0.8	/1/
Upgrade Fire Protection System	92	(C)		PRG	0.5	/1/
Munitions Storage Facility	94	(C)		PRG	0.3	

PROJECT NAME	FY			STATUS	EST COST	
EWVRA - SHEPHERD FIELD					$ mil	
Alter Vehicle Maint Shop	89	(B)		CNS	0.2	
Avionics Shop/NDI	89	(B)		CNS	0.8	
Res Forces Med Trng Fac	89	(B)		CNS	3.0	
Alt Ops and Training	90	(B)		DSG	0.5	
Jet Fuel Storage Complex	90	(B)		DSG	3.3	
Avionics Facility	91	(A)	(B)	DSG	0.4	/3/
Add/Alt Medical Training	92	(A)		DSG	0.5	/2/
Small Arms Range	92	(A)		DSG	0.8	
Vehicle Maintenance Complex	92	(A)		DSG	1.6	

Fire Station	92	(A)	DSG	1.1
Control Tower	93	(A)	DSG	2.6

/1/ Project 100% designed.
/2/ Project under design.
/3/ Project required for aircraft series conversion.
(A) Projects directed for inclusion in FY91.
(B) Projects listed in last years testimony.
(C) New projects added to the five-year plan.
(X) Project cancelled due to the construction of a new facility in the near term.
(Y) Project deferred from FY 91 by OSD.

The Air Force Reserve currently has no new units or military construction projects planned for West Virginia in MILCON program years FY 91-97.

1. COMPONENT ANG.	FY 1988 MILITARY CONSTRUCTION PROJECT DATA	2. DATE 1 JAN 87

3. INSTALLATION AND LOCATION Yeager Airport (ANG) Charleston, WV	4. PROJECT TITLE Vehicle Maintenance/ Refueler Vehicle Shop

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 214-425	7. PROJECT NUMBER 41129	8. PROJECT COST ($000) 1,100

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
VEHICLE MAINTENANCE/REFUELER VEHICLE SHOP	LS			692
Vehicle Maintenance Shop	SF	9,050	65	(588)
Refueling Vehicle Maintenance Shop	SF	1,250	83	(104)
SUPPORTING FACILITIES				306
Mogas Storage Tanks/Dispensing Pumps	GAL	18,000		(40)
Electric	LS			(51)
Water, Sanitary Sewer, Heat	LS			(60)
Site Improvements	LS			(140)
Demolition	LS			(15)
SUBTOTAL				998
CONTINGENCY (5%)				50
TOTAL CONTRACT COST				1,076
SUPERVISION, INSPECTION & OVERHEAD (5%)				52
TOTAL REQUEST				1,100

10. DESCRIPTION OF PROPOSED CONSTRUCTION

Construct a Vehicle Maintenance/Refueler Vehicle Shop to include fuel issue and accounting, driver testing, operator dispatch, vehicle maintenance, staging, and storage. Relocate existing mogas storage tanks and dispensing pumps. Existing motor pool facility will be demolished.

AIR CONDITIONING: 10 tons

11. REQUIREMENT: 10,300 SF ADEQUATE: 0 SF SUBSTANDARD: 6,847 SF

PROJECT: Construct a new Vehicle Maintenance Complex.

REQUIREMENT: Vehicle maintenance facilities are required to maintain and repair the 84 vehicles assigned.

CURRENT SITUATION: The existing vehicle maintenance facilities are approximately 30 percent undersized. Several vehicle maintenance operations are performed under hazardous conditions because ventilation and exhaust systems, alarms, and explosion-proof features are inadequate. Mogas issue is accomplished in a 100 SF facility which is not fenced or lighted as required for security and safety. The main vehicle maintenance facility was constructed 30 years ago, and is obsolete, energy inefficient, and ineffective for the training and maintenance functions. The location of the existing motor pool prohibits expansion of the Squadron Operations Facility.

IMPACT IF NOT PROVIDED: Failure to accomplish this project will adversely impact the capability of the unit to maintain its assigned vehicles and accomplish vehicle maintenance training, which can impact readiness and mission accomplishment.

1. COMPONENT ANG	FY 1989 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE FEB 1988

3. INSTALLATION AND LOCATION YEAGER APT WEST VIRGINIA	4. PROJECT TITLE ADD TO AND ALTER JET FUEL STORAGE COMPLEX

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 124-135	7. PROJECT NUMBER 41299	8. PROJECT COST($000) 1,700

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
ADD TO AND ALTER JET FUEL STORAGE COMPLEX	LS			1,320
ADD JET FUEL STORAGE TANKS	BL	2,500	100	(250)
ADD FUEL SYSTEMS, PUMPS, & PIPING	LS			(570)
ALTER FUEL SYSTEMS, PUMPS & POIPING	LS			(500)
SUPPORTING FACILITIES				220
UTILITIES	LS			(140)
FENCING	LS			(15)
SITE IMPROVEMENTS	LS			(65)
SUBTOTAL				1,540
CONTINGENCY (5%)				77
TOTAL CONTRACT COST				1,617
SUPERVISION, INSPECTION AND OVERHEAD (5%)				81
TOTAL REQUEST				1,698
TOTAL REQUEST (ROUNDED)				1,700

10. Description of Proposed Construction: Install underground JP-4 Fuel Storage Tanks with interconnecting piping to existing tank system; relocate security fencing and lighting; and construct shed roof addition to pump house.

11. REQUIREMENT: 5,000 BL ADEQUATE: 2,500 BL SUBSTANDARD: 0

PROJECT: Provide additional JP-4 fuel storage tanks.

REQUIREMENT: Unit is required to provide 5,000 BLS of JP-4 fuel storage for eight C-130 aircraft to meet stated operational commitments.

CURRENT SITUATION: The JP-4 fuel storage and dispensing complex was originally constructed in 1977 with a storage capacity of 2,500 BLS, which was authorized at that time. Since then, the specified fuel storage requirement for eight C-130 aircraft has increased to 5,000 BLS.

IMPACT IF NOT PROVIDED: The unit will continue to have an operational deficiency which will cause difficulties in responding to operational taksing rapidly and efficiently.

1. COMPONENT ANG	FY 1989 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION YEAGER AIRPORT ANG WEST VIRGINIA	4. PROJECT TITLE ADD TO AND ALTER SQUADRON OPERATIONS FACILITY

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 141-753	7. PROJECT NUMBER LYBH001301	8. PROJECT COST($000) $910

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
ADD TO AND ALTER SQUADRON OPERATIONS FACILITY	LS			678
ADD TO SQUADRON OPERATIONS FACILITY	SF	8,400	70	(588)
ALTER SQUADRON OPERATIONS FACILITY	SF	6,000	15	(90)
SUPPORTING FACILITIES				110
UTILITIES	LS			(68)
PAVEMENTS	LS			(20)
SITE IMPROVEMENTS	LS			(22)
SUBTOTAL				788
CONTINGENCY (10%)				79
TOTAL CONTRACT COST				867
SUPERVISION, INSPECTION AND OVERHEAD (5%)				43
TOTAL REQUEST				910
TOTAL REQUEST (ROUNDED)				910

10. Description of Proposed Construction: Construct a multi-storied block and brick addition to existing facility extending utilities into the addition including minor alterations to the existing facility. Re-route sidewalks, pave surrounding area, and install security lighting.

11. REQUIREMENT: 18,934 SF ADEQUATE: 4,534 SF SUBSTANDARD: 6,000 SF

PROJECT: Construct a multi-storied addition to existing facility. Minor alterations to existing office space.

REQUIREMENT: To accomplish all related flying operations activities in a single efficient location requires a facility of 18,934 SF. The facility is needed to house base operations, squadron operations, command post, audio-visual, life support, and other related activities.

CURRENT SITUATION: The existing facility was designed in the early 1970's as a C-110 operations facility. The 130th Tactical Airlift Group has been forced to conduct their C-130 operations in a facility almost 55 percent less than authorized space. Cramped, overcrowded conditions exist for all activities. The Command Post is extremely inefficient for C-130 training operations.

IMPACT IF NOT PROVIDED: The ability of this unit to efficiently accomplish its mission will continue to be degraded and will affect its training and readiness.

1. COMPONENT ANG	FY 1989 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION YEAGER AIRPORT ANG WEST VIRGINIA	4. PROJECT TITLE SANITARY SEWER MAINS

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 832-266	7. PROJECT NUMBER LYBH899632	8. PROJECT COST($000) $250

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
SANITARY SEWER MAINS	LS			226
SUBTOTAL				226
CONTINGENCY (5%)				11
TOTAL CONTRACT COST				237
SUPERVISION, INSPECTION AND OVERHEAD (5%)				12
TOTAL REQUEST				249
TOTAL REQUEST (ROUNDED)				250

10. Description of Proposed Construction: Provide funds to City of Charleston WV to design and construct an extension of the sanitary sewer lines to the ANG Base.

11. REQUIREMENT: As required.
PROJECT: Sanitary Sewer Line Extension. (Current Mission)
REQUIREMENT: City of Charleston is installing a new main sewer line servicing the immediate vicinity. The ANG has informal contacts with the City of Charleston for a line extension to service the ANG Base. The City agreed to design and construct the sewer line for a sum of $250,000.00.
CURRENT SITUATION: The ANG Base has their own Sanitary Treatment Plant which requires an upgrade of $200,000.00 to bring up to the new standards mandated by WV Dept of Natural Resources. The life cycle costing has determined that it was economical feasible to tie into the City of Charleston new sewer line instead of upgrading an old sewer plant.
IMPACT IF NOT PROVIDED: It is more economically feasible to install new sewer line extension in lieu of upgrading current waste water treatment plant. Estimated 10 year saving of 96,000.00. WVDNR has given a deadline of Sept 89 for upgrading effluent standards.

1. COMPONENT ANG	FY 1991 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION YEAGER AIRPORT ANG WEST VIRGINIA	4 PROJECT TITLE UPGRADE POL OPS FACILITY

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 121-111	7. PROJECT NUMBER LYBH909686	8. PROJECT COST($000) $300

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
UPGRADE POL OPS FACILITY	LS			211
PETROLEUM OPERATIONS FACILITY	SF	1,200	140	(168)
ADD TO POL LAB	SF	340	85	(29)
ADD TO PUMPHOUSE	SF	110	125	(14)
SUPPORTING FACILITIES				60
UTILITIES	LS			(25)
PAVEMENTS	LS			(15)
SITE IMPROVEMENTS	LS			(20)
SUBTOTAL				271
CONTINGENCY (5%)				14
TOTAL CONTRACT COST				285
SUPERVISION, INSPECTION AND OVERHEAD (5%)				14
TOTAL REQUEST				299
TOTAL REQUEST (ROUNDED)				300

10. Description of Proposed Construction: Single story block and brick addition to existing POL Lab, extent utilities into addition, replace existing HVAC systems, alter existing facility, provide sidewalks, exterior lighting and apply brick veneer to existing block wall. Construct a single story block addition to existing pumphouse, extend utilities, provide ventilation, sidewalk and exterior lighting.
Air Conditioning: 10 Tons.

11. REQUIREMENT: 1,750 SF ADEQUATE: 100 SF SUBSTANDARD: 1,200 SF
PROJECT: Add Alter POL Lab. (Current Mission).
REQUIREMENT: To accomplish quality control and maintain strict accountability of fuel dispensing requires a facility of approximately 1540SF to house the various functions of fuels maintenance. To store supplies, materials and equipment unique to the operation requires an area of approximately 105 SF.
CURRENT SITUATION: The existing fuels lab is only 1200 SF in size. Over 19 personnel are assigned to Fuels Maintenance. The lab is required to accomodate a Fuel Control Center and a Classroom/Ready Room but cannot due to lack of space. The organization has a stockpile of critically needed supplies, equipment and materials unique to itself by no place to store them except within the existing lab itself or off site.
IMPACT IF NOT PROVIDED: The ability of this function to effectively support the basic flying mission will continue to be degraded and needed training will continue to be neglected.

1. COMPONENT ANG	FY 1992 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION YEAGER AIRPORT ANG WEST VIRGINIA	4. PROJECT TITLE ADD TO AND ALTER TELECOMUNICATIONS FACILITY

5. PROGRAM ELEMENT 5[illegible]94F	6. CATEGORY CODE 131-111	7. PROJECT NUMBER LYBH899618	8. PROJECT COST($000) $500

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
ADD TO AND ALTER TELECOMUNICATIONS FAC	LS			400
ADD TO FACILITY	SF	2,100	95	(200)
ALTER FACILITY	SF	4,000	50	(200)
SUPPORTING FACILITIES				30
UTILITIES	LS			(15)
PAVEMENTS	LS			(10)
SITE IMPROVEMENTS	LS			(5)
SUBTOTAL				430
CONTINGENCY (10%)				43
TOTAL CONTRACT COST				473
SUPERVISION, INSPECTION AND OVERHEAD (5%)				24
TOTAL REQUEST				497
TOTAL REQUEST (ROUNDED)				500

10. Description of Proposed Construction: Block and brick addition on concrete foundation/floor slab, built-up roof, including all necessary electrical, structural and mechanical work. Extensive interior alterations and relocation of walls and utilities. Replacement of exterior windows and doors to upgrade energy efficiency.
Air Conditioning: 40 Tons.

11. REQUIREMENT: 8,810 SF ADEQUATE: 2,710 SF SUBSTANDARD: 4,000 SF

PROJECT: Add to and Alter Telecommunications Facility (Current Mission).

REQUIREMENT: The base requires additional space to support the new communication switch gear and telephone system. Additional space is required for administration, wire room, radio repair section, data processing and mobility storage.

CURRENT SITUATION: Facility was not sized to accomodate data the automation function which it now houses. The main distribution frame is completely jammed and prevents expansion of the systems. Space to accomodate communications maintenance is cramped to non-existent. Classroom and storage space is inadequate. The building has antiquated windows and doors that are not energy efficient.

IMPACT IF NOT PROVIDED: Unable to accomodate increasing communications needs. Ability to maintain existing and programmed comm systems will continue to be adversely affected. Inefficient operation and training.

1. COMPONENT ANG	FY 1992 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION YEAGER AIRPORT ANG WEST VIRGINIA	4. PROJECT TITLE COMPOSITE OPS AND TRAINING FACILITY

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 171-445	7. PROJECT NUMBER LYBH899637	8. PROJECT COST($000) $5,200

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
COMPOSITE OPS AND TRAINING FACILITY	LS			4,566
DINNING HALL/SERVICES	SF	9,200	130	(1,196)
HQ STAFF	SF	3,000	90	(270)
MEDICAL TRAINING	SF	9,800	95	(931)
OPS AND TRAINING	SF	22,000	90	(1,980)
AUDIO VISUAL	SF	2,100	90	(189)
SUPPORTING FACILITIES				155
UTILITIES	LS			(75)
PAVEMENTS	LS			(50)
SITE IMPROVEMENTS	LS			(30)
SUBTOTAL				4,721
CONTINGENCY (5%)				236
TOTAL CONTRACT COST				4,957
SUPERVISION, INSPECTION AND OVERHEAD (5%)				248
TOTAL REQUEST				5,205
TOTAL REQUEST (ROUNDED)				5,200

10. Description of Proposed Construction: Concrete slab, foundation, masonry construction, steel frame, membrane roof and all required utilites and paving for a complete project.

11. REQUIREMENT: 46,100 SF ADEQUATE: 0 SUBSTANDARD: 28,332 SF

PROJECT: Composite Operations and Training Facility with Dining Hall, Audio Visual, Group Headquarters, and Medical Training (Current Mission).

REQUIREMENT: In accordance with the Base Master Plan, the Composite Operations and Training Complex will be relocated away from the flightline thus providing more space adjacent to the flightline for expansion of aircraft operation related facilities.

CURRENT SITUATION: The existing Operations and Traning Facility is located south of the existing ramp area. With the unique topography problems associated with Yeager Airport (i.e. located on a mountain top surrounded by steep terrain), flat land, adjacent to the flight line is at a premium. All support facilities, to include this Operations and Training Facility, must be relocated.

IMPACT IF NOT PROVIDED: Without this relocation the unit will not be able to achieve the goals set forth in the approved Base Master Plan.

1. COMPONENT ANG	FY 1992 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION YEAGER AIRPORT ANG WEST VIRGINIA	4. PROJECT TITLE SECURITY POLICE OPS FACILITY

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 171-443	7. PROJECT NUMBER LYBH899671	8. PROJECT COST($000) $600

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
SECURITY POLICE OPS FACILITY	SF	5,100	100	510
SUPPORTING FACILITIES				35
UTILITIES	LS			(10)
PAVEMENTS	LS			(20)
SITE IMPROVEMENTS	LS			(5)
SUBTOTAL				545
CONTINGENCY (5%)				27
TOTAL CONTRACT COST				572
SUPERVISION, INSPECTION AND OVERHEAD (5%)				29
TOTAL REQUEST				601
TOTAL REQUEST (ROUNDED)				600

10. Description of Proposed Construction: Concrete slab, foundation, masonry walls, membrane roof and all associatied utilities. Existing facility will be disposed of.
Air Conditioning: 15 Tons.

11. REQUIREMENT: 5,100 SF ADEQUATE: 0 SUBSTANDARD: 3,500 SF

PROJECT: Weapons Security Flight Facility (Current Mission).

REQUIREMENT: In accordance with the Base Master Plan, the Security Police Operations Facility will be relocated away from the flightline,thus providing more space adjacent to the flightline for expansion of aircraft operation related facilities.

CURRENT SITUATION: The existing Weapons Security Flight is located east of the existing ramp area. With the unique topography problems associated with Yeager Airport (i.e. located on a mountain top surrounded by steep terrain), flat land, adjacent to the flight line is at a premium. All support facilities, to include this Weapons Security Flight, must be relocated.

IMPACT IF NOT PROVIDED: Without this relocation the unit will not be able to achieve the goals set forth in the approved Base Master Plan.

1. COMPONENT ANG	FY 1992 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION YEAGER AIRPORT ANG WEST VIRGINIA	4. PROJECT TITLE BASE CIVIL ENGINEERING COMPLEX

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 219-944	7. PROJECT NUMBER LYBH899672	8. PROJECT COST($000) $1,900

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
BASE CIVIL ENGINEERING COMPLEX	LS			1,701
BASE ENGINEER FACILITY	SF	15,800	95	(1,501)
STORAGE FACILITY	SF	4,000	50	(200)
SUPPORTING FACILITIES				40
UTILITIES	LS			(10)
PAVEMENTS	LS			(20)
SITE IMPROVEMENTS	LS			(10)
SUBTOTAL				1,741
CONTINGENCY (5%)				87
TOTAL CONTRACT COST				1,828
SUPERVISION, INSPECTION AND OVERHEAD (5%)				91
TOTAL REQUEST				1,919
TOTAL REQUEST (ROUNDED)				1,900

10. Description of Proposed Construction: Reinforced concrete foundation and floor slab, masonry walls, structural steel frame, built-up roof, and all necessary supporting facilities. Existing facility will be disposed of.

11. REQUIREMENT: 19,800 SF ADEQUATE: 0 SUBSTANDARD: 11,295 SF

PROJECT: Civil Engineering Complex (Current Mission).

REQUIREMENT: In accordance with the Base Master Plan, the Base Civil Engineering Complex will be relocated away from the flightline thus providing more space adjacent to the flightline for expansion of aircraft operation related facilities.

CURRENT SITUATION: The existing Base Civil Engineering Complex is located east of the existing ramp area. With the unique topography problems associated with Yeager Airport (i.e. located on a mountain top surrounded by steep terrain), flat land, adjacent to the flight line is at a premium. All support facilities, to include this Base Civil Engineering Complex, must be relocated.

IMPACT IF NOT PROVIDED: Without this relocation the unit will not be able to achieve the goals set forth in the approved Base Master Plan.

1. COMPONENT ANG	FY 1992 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION YEAGER AIRPORT ANG WEST VIRGINIA	4. PROJECT TITLE BASE SUPPLY AND EQUIPMENT WAREHOUSE

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 442-758	7. PROJECT NUMBER LYBH899673	8. PROJECT COST($000) $3,000

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
BASE SUPPLY AND EQUIPMENT WAREHOUSE	SF	29,200	90	2,628
SUPPORTING FACILITIES				70
UTILITIES	LS			(20)
PAVEMENTS	LS			(40)
SITE IMPROVEMENTS	LS			(10)
SUBTOTAL				2,698
CONTINGENCY (5%)				135
TOTAL CONTRACT COST				2,833
SUPERVISION, INSPECTION AND OVERHEAD (5%)				142
TOTAL REQUEST				2,975
TOTAL REQUEST (ROUNDED)				3,000

10. Description of Proposed Construction: Concrete floor slab on grade, structuraal steel frame, masonry or insulated, loading dock with levelers, structural steel and membrane roofing system and all associated utilities. Existing facility will be disposed of.

11. REQUIREMENT: 29,200 SF ADEQUATE: 0 SUBSTANDARD: 23,415 SF

PROJECT: Base Supplies and Equipment Warehouse (Current Mission).

REQUIREMENT: In accordance with the Base Master Plan, the Base Supplies and Equipment Warehouse will be relocated away from the flightline thus providing more space adjacent to the flightline for expansion of aircraft operation related facilities.

CURRENT SITUATION: The existing Base Supplies and Equipment Warehouse is located south of the existing ramp area. With the unique topography problems associated with Yeager Airport (i.e. located on a mountain top surrounded by steep terrain), flat land, adjacent to the flight line is at a premium. All support facilities, to include this Base Supplies and Equipment Warehous, must be relocated.

IMPACT IF NOT PROVIDED: Without this relocation the unit will not be able to achieve the goals set forth in the approved Base Master Plan.

1. COMPONENT ANG	FY 1992 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION YEAGER AIRPORT ANG WEST VIRGINIA	4. PROJECT TITLE SITE PREPARATION AND UTILITIES

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 932-681	7. PROJECT NUMBER LYBH899670	8. PROJECT COST($000) $1,800

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
SITE PREPARATION	LS			
SUPPORTING FACILITIES				1,649
UTILITIES	LS			(683)
PAVEMENTS	LS			(483)
SITE IMPROVEMENTS	LS			(483)
SUBTOTAL				1,649
CONTINGENCY (5%)				82
TOTAL CONTRACT COST				1,731
SUPERVISION, INSPECTION AND OVERHEAD (5%)				87
TOTAL REQUEST				1,818
TOTAL REQUEST (ROUNDED)				1,800

10. Description of Proposed Construction: New asphalt roadways, underground utilities, storm drainage, grading, and all necessary site preparation for new facilities

11. REQUIREMENT: As required.

PROJECT: Site Preparation Project (Current Mission)

REQUIREMENT: Prepare the site to include all roads and grounds, utilities, parking lots, main gate, landscaping, geotechnical investigation, Etc. for the construction of the following base facilities: Composite O & T, Weapons Security Police, Base Supply Warehouse/Administration and Civil Engineering. This project also includes the expansion of a new communication duct network. The relocation of facilities is required for flightline expansion.

CURRENT SITUATION: The proposed site is currently owned by the Kanawha County Parks and Recreation Commission and operated as a golf driving range. An approved FY 90 P-341 project acquires the land. This is the initial phase to construct the infrastructure to support other facilities.

IMPACT IF NOT PROVIDED: Without this project the unit will not be able to relocate these support facilities and will not achieve the goals set forth in the Base Master Plan.

1. COMPONENT ANG	FY 1992 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION YEAGER AIRPORT ANG WEST VIRGINIA	4. PROJECT TITLE UPGRADE MAINTENACE HANGAR

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 211-175	7. PROJECT NUMBER LYBH899691	8. PROJECT COST($000) $760

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
UPGRADE MAINTENACE HANGAR	SF	37,100	17	631
SUPPORTING FACILITIES				55
ASBESTOS REMOVAL	LS			(55)
SUBTOTAL				686
CONTINGENCY (5%)				34
TOTAL CONTRACT COST				720
SUPERVISION, INSPECTION AND OVERHEAD (5%)				36
TOTAL REQUEST				756
TOTAL REQUEST (ROUNDED)				760

10. Description of Proposed Construction: Remove and repair roof sections using roofing membrane. Install infra-red radiant heating system; install exhaust fans and five rooftop air conditioning systems. Replace lighting fixtures. Upgrade utilities.

11. REQUIREMENT: 37,100 SF ADEQUATE: 0 SUBSTANDARD: 37,100 SF

PROJECT: Upgrade Maintenance Hangar (Current Mission).

REQUIREMENT: The base requires an adequate hangar in which to perform aircraft maintenance.

CURRENT SITUATION: The hangar was constructed in the early 70's and has had only minor repairs since. The roof has developed numerous leaks which cannot be corrected with maintenance. The heating, ventilation and air conditioninig systems are antiquated. There are frequent breakdowns and parts are no longer available. The hangar does not have an adequate heating system.

IMPACT IF NOT PROVIDED: Inefficient aircraft maintenance and training; increased energy costs; health and safety hazards.

1. COMPONENT ANG	FY 1992 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION YEAGER AIRPORT ANG WEST VIRGINIA	4. PROJECT TITLE UPGRADE FIRE DETECTION SYSTEM

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 880-232	7. PROJECT NUMBER LYBH909675	8. PROJECT COST($000) $520

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
UPGRADE FIRE DETECTION SYSTEM	LS			470
SUBTOTAL				470
CONTINGENCY (5%)				24
TOTAL CONTRACT COST				494
SUPERVISION, INSPECTION AND OVERHEAD (5%)				25
TOTAL REQUEST				519
TOTAL REQUEST (ROUNDED)				520

10. Description of Proposed Construction: Remove all existing fire detectors, manual alarms, horns, etc. as required basewide. Install all new equipment to provide adequate fire detection and reporting. Signal shall be transmitted by transmitter to base fire station with a back up remote located in security police

11. REQUIREMENT: As required.

PROJECT: Fire Detection System (Current Mission).

REQUIREMENT: Existing facilities do not have adequate fire detection and reporting system to safe guard material and personnel. Provide an adequate fire detection and reporting system.

CURRENT SITUATION: The existing system is a mishmash of different products. None of the systems are reliable to transmit signals to the Base Fire Department. False and misleading alarms are a weekly occurance. None of the Systems meet current National Fire Protection Association (NFPA).

IMPACT IF NOT PROVIDED: The ability of the base to adequately safeguard life and governament property will continue to be degraded. The value of this installation and all installed assets exceeds $100 Million.

1. COMPONENT ANG	FY 1994 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION YEAGER AIRPORT AN WEST VIRGINIA	4. PROJECT TITLE MUNITIONS STORAGE FACILITY

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 422-264	7. PROJECT NUMBER LYBH909674	8. PROJECT COST($000) $220

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
MUNITIONS STORAGE FACILITY	SF	1,700	110	187
SUPPORTING FACILITIES				12
UTILITIES	LS			(5)
PAVEMENTS	LS			(5)
SITE IMPROVEMENTS	LS			(2)
SUBTOTAL				199
CONTINGENCY (5%)				10
TOTAL CONTRACT COST				209
SUPERVISION, INSPECTION AND OVERHEAD (5%)				10
TOTAL REQUEST				219
TOTAL REQUEST (ROUNDED)				220

10. Description of Proposed Construction: Concrete reinforced walls, floor slab and roof with all utilities.

11. REQUIREMENT: 1,675 SF ADEQUATE: 0 SUBSTANDARD: 0

PROJECT: Munitions Storage Facility (Current Mission).

REQUIREMENT: Existing munitions storage facility will be torn down because it violates building restriction line from runway.

CURRENT SITUATION: The existing facilitywill be torn down.

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1. COMPONENT ANG	FY 1989 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION EWVRA SHEPHERD FIELD ANG WEST VIRGINIA	4. PROJECT TITLE ALTER VEHICLE MAINTENANCE FACILITY

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 214-425	7. PROJECT NUMBER PJVY000441	8. PROJECT COST($000) $200

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
ALTER VEHICLE MAINTENANCE FACILITY	LS			137
PAINT SPRAY BOOTH	SF	850	105	(89)
ALTER VEHICLE MAINTENANCE	LS			(48)
SUPPORTING FACILITIES				35
SITE WORK	LS			(9)
DEMOLITION	LS			(8)
UTILITIES	LS			(18)
SUBTOTAL				172
CONTINGENCY (10%)				17
TOTAL CONTRACT COST				189
SUPERVISION, INSPECTION AND OVERHEAD (5%)				9
TOTAL REQUEST				198
TOTAL REQUEST (ROUNDED)				200

10. Description of Proposed Construction: Replace existing paint booth. Include new filter system, lighting and electrical systems.

11. REQUIREMENT: 864 SF ADEQUATE: 0 SUBSTANDARD: 864 SF

PROJECT: Alter Vehicle Maintenance Shop (Paint Spray Booth)

REQUIREMENT: Adequate paint spray facilities are required to paint polyurethane paint on military vehicles. All touchup and maintenance of vehicle paint must be accomplished within a breathable air system and paint filtering system enviornment. AFOSH and OSHA regulations must be adhered to.

CURRENT SITUATION: No approved painting facility exists on base. All vehicles have not been painted or touched up since they were aquired new. New regulations do not allow use of polyurethane paints without an approved facility in which to accomplish the work.

IMPACT IF NOT PROVIDED: Vehicles and support equipment are badly in need of painting and corrosion control. Minor touch-up can not be performed without a breathable air and filter system facility. Without proper corrosion control equipment, vehicles cannot be adequately maintained.

1. COMPONENT ANG	FY 1989 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION EWVRA SHEPHERD FIELD ANG WEST VIRGINIA	4. PROJECT TITLE AVIONICS SHOP

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 217-712	7. PROJECT NUMBER PJVY000430	8. PROJECT COST($000) $740

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
AVIONICS SHOP	LS			561
ARMAMENT & ELECTRONICS SHOP	SF	3,400	105	(357)
NON-DESTRUCTIVE FACILITY	SF	2,400	85	(204)
SUPPORTING FACILITIES				110
UTILITIES	LS			(55)
PAVEMENTS	LS			(25)
SITE IMPROVEMENTS	LS			(20)
DEMOLITION	LS			(10)
SUBTOTAL				671
CONTINGENCY (5%)				34
TOTAL CONTRACT COST				705
SUPERVISION, INSPECTION AND OVERHEAD (5%)				35
TOTAL REQUEST				740
TOTAL REQUEST (ROUNDED)				740

10. Description of Proposed Construction: Construct concrete foundations and floor slab, masonry and metal insulated panel walls, structural steel frame with built-up roof, and all mechanical and electrical systems needed for a complete facility. Demolition of existing facility is required. Air Conditioning: 25 Tons.

11. REQUIREMENT: 5,800 SF ADEQUATE: 0 SUBSTANDARD: 2,310 SF

PROJECT: Construct composite avionics/NDI facility.

REQUIREMENT: The unit requires adequate facilities to test, maintain and repair avionics equipment and to perform NDI of aircraft components. Functional areas include administrative offices, electronic test shops, x-ray room, equipment room, dark room, rest rooms, training room, storage and building mechanical rooms.

CURRENT SITUATION: The existing facilities are not adequate. Both facilities have substandard lighting, environmental systems and electrical service, as well as less than required space. The unit robusted to 12 aircraft in 1987, which increased the number of personnel and equipment to the already overcrowded and substandard facilities. The NDI facility has deteriorated beyond economical repair, and will be demolished upon completion of this project. The avionics area is limited and cannot be expanded without impacting adjacent aircraft maintenance shops. The area vacated will be used to satisfy deficiencies in aircraft maintenance shops.

IMPACT IF NOT PROVIDED: The unit will be unable to maintain a satisfactory level of avionics and NDI support required for the mission. This will degrade training and have a negative impact on the readiness and mission accomplishment of the unit.

1. COMPONENT ANG	FY 1989 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION EWVRA SHEPHERD FIELD ANG WEST VIRGINIA	4. PROJECT TITLE RESERVE FORCES MEDICAL TRAINING FACILITY

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 171-449	7. PROJECT NUMBER PJVY000429	8. PROJECT COST($000) $3,000

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
RESERVE FORCES MEDICAL TRAINING FACILITY	LS			2,373
AEROMEDICAL EVAC FACILITY	SF	11,200	80	(896)
DINING HALL	SF	9,900	65	(644)
TELECOM CENTER	SF	7,000	80	(560)
SECURITY POLICE	SF	4,200	65	(273)
SUPPORTING FACILITIES				350
UTILITIES	LS			(140)
PAVEMENTS	LS			(75)
SITE IMPROVEMENTS	LS			(135)
SUBTOTAL				2,723
CONTINGENCY (5%)				136
TOTAL CONTRACT COST				2,859
SUPERVISION, INSPECTION AND OVERHEAD (5%)				143
TOTAL REQUEST				3,002
TOTAL REQUEST (ROUNDED)				3,000

10. Description of Proposed Construction: Construct a facility with concrete foundations and floors, masonry and metal insulated panel walls, structural steel framing with built-up roof and all necessary utilities and support.

Air Conditioning: 10[illegible] Tons.

11. REQUIREMENT: 32,800 SF ADEQUATE: 0 SUBSTANDARD: 14,346 SF

PROJECT: Construct a composite facility for aeromedical evacuation, dining hall, information systems and security police operations functions.

REQUIREMENT: The base requires adequate facilities to support the assigned functions.

CURRENT SITUATION: The existing facilities are substandard and inadequately sized for the intended purposes. The unit is robusting from 8 to 12 aircraft in 1986 and this adds to the problem. The dining hall and aeromedical evacuation do not have enough space for these functions. Training cannot be accomplished because of lack of space. The dining hall is overcrowded, creates excessive delays and does not easily lend itself to the necessary expansion. The space will be used to satisfy squadron operations deficiencies created by the unit's robusting in 1986. The telecommunications center and security police operations occupy space in a hangar which is required to support the robusting.

IMPACT IF NOT PROVIDED: The functions will continue to operate in overcrowded and inadequate facilities, degrading each unit's training, mission effectiveness and support. Over the long term, the degradation will affect the mission accomplishment. In addition, new facilities will have to be constructed to accommodate expanded squadron operations and aircraft maintenance requirements created by the robusting.

1. COMPONENT ANG	FY 1990 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION EWVRA SHEPHERD FIELD ANG WEST VIRGINIA	4. PROJECT TITLE ALTER OPERATIONS AND TRAINING FACILITIES

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 171-445	7. PROJECT NUMBER PJVY000431	8. PROJECT COST($000) $480

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
ALTER OPERATIONS AND TRAINING FACILITIES	SF	9,600	40	384
SUPPORTING FACILITIES				27
UTILITIES	LS			(7)
PAVEMENTS	LS			(11)
SITE IMPROVEMENTS	LS			(9)
SUBTOTAL				411
CONTINGENCY (10%)				41
TOTAL CONTRACT COST				452
SUPERVISION, INSPECTION AND OVERHEAD (5%)				23
TOTAL REQUEST				475
TOTAL REQUEST (ROUNDED)				480

10. Description of Proposed Construction: Upgrade electrical system; remodel spaces as required, install environmental controls and revamp mechanical systems.
Air Conditioning: 15 Tons.

11. REQUIREMENT: 32,715 SF ADEQUATE: 23,115 SF SUBSTANDARD: 9,600 SF

PROJECT: Alter Operations and Training Facilities (New Mission).

REQUIREMENT: Alter buildings 110 and 120. Facilities are old, do not meet current building codes and are not suitable for use as administrative and office areas. Robusting of unit has caused space shortages. Functional areas to include Comptroller, Life Support and Sheet Metal Shops.

CURRENT SITUATION: Space will be vacated upon completion of FY89 MCP project PJVY000429, Operational Training Complex. This project is a follow on to renovate the vacant areas for other functions that require operational space. Unit has to split unit training assemblies in order to accomodate increased manning, since adjoining areas are shared by many users. Existing utilities do not meet current code requirements.

IMPACT IF NOT PROVIDED: Ideal situation would be for entire unit to train as a team which is required for wartime tasking. Mission is degraded by problems created by split UTA's. Vacant spaces are not useable until renovated.

ADDITIONAL: FY 90 related project: (PJVY000433) Jet Fuel Storage Complex.

1. COMPONENT ANG	FY 1990 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION EWVRA SHEPHERD FIELD ANG WEST VIRGINIA	4. PROJECT TITLE JET FUEL STORAGE COMPLEX

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 124-135	7. PROJECT NUMBER PJVY000433	8. PROJECT COST($000) $3,300

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
JET FUEL STORAGE COMPLEX	LS			2,547
JET FUEL STORAGE	BL	15,000	135	(2,025)
LOADING AND UNLOADING STANDS	EA	4	63,000	(252)
POL FACILITY	SF	1,500	100	(150)
ENGINE TEST FACILITY	LS			(120)
SUPPORTING FACILITIES				425
UTILITIES	LS			(250)
PAVEMENTS	LS			(100)
SITE IMPROVEMENTS	LS			(75)
SUBTOTAL				2,972
CONTINGENCY (5%)				149
TOTAL CONTRACT COST				3,121
SUPERVISION, INSPECTION AND OVERHEAD (5%)				156
TOTAL REQUEST				3,277
TOTAL REQUEST (ROUNDED)				3,300

10. Description of Proposed Construction: Above ground fuel tanks, dispensing hydrants, pumping station and piping. Remove and dispose of existing 2,380 BL storage facility.

11. REQUIREMENT: 15,000 BL ADEQUATE: 0 SUBSTANDARD: 2,380 BL

PROJECT: Jet Fuel Storage Complex (New Mission).

REQUIREMENT: Daily flying mission requires adequate storage of jet fuel. Relocation of all fuel items to an area that will better support the mission, environmental and safety reqirements.

CURRENT SITUATION: Present underground fuel system was built in 1956, with a capacity of 2,380 barrels. Minor modifications only have been done since that time. Present operation requires fuel to be hauled every other day. Daily handling of fuel increases the risk of accident and requires more personnel to operate. Lack of required storage hampers the quick turn around of aircraft and ability to perform the mission expediently. The unit has presently robusted to 12 aircraft and is short on fuel capacity. The existing storage is underground, does not comply with current EPA Regulations and will be reverted to caretaker status.

IMPACT IF NOT PROVIDED: Current system provides insufficient fuel for unit flying mission. Increased operation of old and antiquated pump and pipe system will result in delayed operations, major repairs and breakdowns, along with safety and environmental concerns.

ADDITIONAL: FY 90 related project: (PJVY000431) Alter Operations and Training Facilities.

1. COMPONENT ANG	FY 1991 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION EWVRA SHEPHERD FIELD WEST VIRGINIA	4. PROJECT TITLE ADD TO AND ALTER AVIONICS SHOP

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 217-712	7. PROJECT NUMBER PJVY899674	8. PROJECT COST($000) $400

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
ADD TO AND ALTER AVIONICS SHOP	LS			344
ADD TO AVIONICS SHOP	SF	3,000	93	(279)
ALTER AVIONICS	SF	3,400	19	(65)
SUPPORTING FACILITIES				20
PAVEMENTS	LS			(10)
SITE IMPROVEMENTS	LS			(10)
SUBTOTAL				364
CONTINGENCY (5%)				18
TOTAL CONTRACT COST				382
SUPERVISION, INSPECTION AND OVERHEAD (5%)				19
TOTAL REQUEST				401
TOTAL REQUEST (ROUNDED)				400

10. Description of Proposed Construction: Addition to facility to match existing. Concrete slab foundation, footers and masonary walls.

11. REQUIREMENT: 6,400 SF ADEQUATE: 0 SUBSTANDARD: 3,400 SF

PROJECT: Add and Alter to Avionics (New Mission).

REQUIREMENT: The unit is converting from C-130B to C-130E aircraft. The avionics maintenance shop for the new aircraft requires additional space for avionics maintenance and equipment repair.

CURRENT SITUATION: The existing avionics shop is located in a crowded area in Bldg 110. FY 89 MILCON project PJVY000430 will construct a new Avionics facility. However, the project was scoped and designed to support the requirement of the C 130B only. The new C 130E aircraft are scheduled to arrive in the first quarter FY 90. Temporary workaround will be used until this project is completed.

IMPACT IF NOT PROVIDED: The unit will be unable to adequately support the new aircraft avionics systems and, in turn, will degrade the mission. Project is essential to a successful aircraft conversion.

1. COMPONENT ANG	FY 1992 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION EWVRA SHEPHERD FIELD ANG WEST VIRGINIA	4. PROJECT TITLE ADD TO AND ALTER MEDICAL TRAINING FACILITY

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 171-450	7. PROJECT NUMBER PJVX000432	8. PROJECT COST($000) $550

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
ADD TO AND ALTER MEDICAL TRAINING FAC				470
ADD TO MEDICAL TRAINING	SF	4,900	67	(328)
ALTER MEDICAL TRAINING	SF	4,900	29	(142)
SUPPORTING FACILITIES				25
UTILITIES	LS			(10)
PAVEMENTS	LS			(10)
SITE IMPROVEMENTS	LS			(5)
SUBTOTAL				495
CONTINGENCY (5%)				25
TOTAL CONTRACT COST				520
SUPERVISION, INSPECTION AND OVERHEAD (5%)				26
TOTAL REQUEST				546
TOTAL REQUEST (ROUNDED)				550

10. Description of Proposed Construction: Building addition: concrete slab, foundation and building addition to match existing construction. Alter interior walls and utility systems.
Air Conditioning: 20 Tons.

11. REQUIREMENT: 9,800 SF ADEQUATE: 0 SUBSTANDARD: 4,900 SF

PROJECT: Add to and Alter Medical Training Facility (Current Mission).

REQUIREMENT: This project supports an increase in personnel. Adequate space and facilities are necessary for medical physicals and training of personnel. Additional space is required for administration, doctors offices, x-ray rooms, dental clinic, bio-environmental offices, eye testing, EKG rooms, pharmacy and waiting area.

CURRENT SITUATION: The medical training function now occupy space designed for 23 personnel; 73 persons are authorized. Group robusting has drastically increased the amount of physicals and the required medical testing has also increased. Space for blood, drug/alcohol testing and administrative functions is lacking, resulting in inefficiencies, overcrowding and deliquent physicals.

IMPACT IF NOT PROVIDED: Inefficient operation and training. Inability to perform physicals, testing, and administrative actions reduces the amount of personnel qualified for world-wide deployment.

1. COMPONENT ANG	FY 1993 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION EWVRA SHEPHERD FIELD WEST VIRGINIA	4. PROJECT TITLE SMALL ARMS RANGE

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 179-475	7. PROJECT NUMBER PJVY899573	8. PROJECT COST($000) $750

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
SMALL ARMS SYSTEMS RANGE	LS			525
SMALL ARMS SYSTEMS RANGE	FP	21	20,000	(420)
TRAINING CENTER	SF	1,500	70	(105)
SUPPORTING FACILITIES				155
UTILITIES	LS			(60)
PAVEMENTS	LS			(40)
SITE IMPROVEMENTS	LS			(55)
SUBTOTAL				680
CONTINGENCY (5%)				34
TOTAL CONTRACT COST				714
SUPERVISION, INSPECTION AND OVERHEAD (5%)				36
TOTAL REQUEST				750
TOTAL REQUEST (ROUNDED)				750

10. Description of Proposed Construction: Construct a small arms range consisting of 21 firing positions, 25 meters in length, outdoor, baffled and superimposed type.

Air Conditioning: 5 Tons.

11. REQUIREMENT: 21 FP ADEQUATE: 0 SUBSTANDARD: 0

PROJECT: Small Arms Range (Current Mission).

REQUIREMENT: This facility is needed because there is no range available for 150 miles. This facility will be used to provide small arms, initial refresher and annual training to approximately 1200 personnel, occupying mobility positions.

CURRENT SITUATION: The only range available belongs to the West Virginia Dept. of Natural Resources and is located in Sleepy Creek Public Hunting Area. It can be utilized during March, April, August and September. Due to weather restrictions, we can only train approximately 200 persons in a year. The balance of the 1000 personnel must rely on annual training at a base with a range to meet their qualification requirements.

IMPACT IF NOT PROVIDED: The unit will continue to have difficulty accomplishing the mandatory annual training requirement for those personnel in mobility positions thus effect the readiness of the unit.

1. COMPONENT ANG	FY 1993 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION EWVRA SHEPHERD FIELD ANG WEST VIRGINIA	4. PROJECT TITLE VEHICLE MAINTENANCE COMPLEX

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 214-425	7. PROJECT NUMBER PJVY899679	8. PROJECT COST($000) $1,700

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
VEHICLE MAINTENANCE COMPLEX	LS			1,437
VEHICLE MAINTENANCE FACILITY	SF	10,200	90	(918)
OPERATIONS SHED	SF	7,200	45	(324)
REFUELER BAY	SF	1,500	130	(195)
SUPPORTING FACILITIES				120
UTILITIES	LS			(50)
PAVEMENTS	LS			(50)
SITE IMPROVEMENTS	LS			(20)
SUBTOTAL				1,557
CONTINGENCY (5%)				78
TOTAL CONTRACT COST				1,635
SUPERVISION, INSPECTION AND OVERHEAD (5%)				82
TOTAL REQUEST				1,717
TOTAL REQUEST (ROUNDED)				1,700

10. Description of Proposed Construction: Concrete foundation, concrete floor slab, membrane roof, mechanical, electrical and structural system with paved parking area and access.
Air Conditioning: 15 Tons.

11. REQUIREMENT: 18,900 SF ADEQUATE: 0 SUBSTANDARD: 5,177 SF

PROJECT: Vehicle Maintenance Complex (Current Mission).

REQUIREMENT: Provide facility for repair and maintenance of organizational vehicles and equipment. Functional areas to include maintenance bays, covered vehicle storage, office areas, parts and tool storage, battery shop, vehicle dispatcha and refueler maintenance area. Fuel dispensing island with underground tanks and wash rack.

CURRENT SITUATION: Vehicle maintenance is being preformed in a building built in 1955. Lack of space and up to date safety items precludes proper vehicle maintenance and battery maintenance. Vehicles are out-sized and maintenance if performed in small bays. The number of vehicles have doubled since construction of the original facility. Existing motor pool will be utilized by the Civil Engineering function to provide adequate shop space.

IMPACT IF NOT PROVIDED: Maintenance will continue to be accomplished in substandard facilities. Diesel equipment will continue to be left in the weather creating difficulty starting in cold weather. Without proper vehicle maintenance the training and wartime readiness of the unit will be adversely impacted.

1. COMPONENT ANG	FY 1993 MILITARY CONSTRUCTION PROJECT DATA (computer generated)		2. DATE
3. INSTALLATION AND LOCATION EWVRA SHEPHERD FIELD WEST VIRGINIA		4. PROJECT TITLE FIRE STATION	
5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 730-142	7. PROJECT NUMBER PJVY899680	8. PROJECT COST($000) $1,100

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
FIRE STATION	SF	9,200	90	828
SUPPORTING FACILITIES				190
UTILITIES	LS			(50)
PAVEMENTS	LS			(100)
SITE IMPROVEMENTS	LS			(40)
SUBTOTAL				1,018
CONTINGENCY (5%)				51
TOTAL CONTRACT COST				1,069
SUPERVISION, INSPECTION AND OVERHEAD (5%)				53
TOTAL REQUEST				1,122
TOTAL REQUEST (ROUNDED)				1,100

10. Description of Proposed Construction: Concrete floor, steel frame, masonry walls, membrane roof, and necessary mechanical and electrical systems. Includes paved access to ramp and street.
Air Conditioning: 15 Tons.

11. REQUIREMENT: 9,200 SF ADEQUATE: 0 SUBSTANDARD: 5,934 SF

PROJECT: Fire Station (Current Mission).

REQUIREMENT: Fire Station is required for an increased number of firefighters and firefighting vehicles to support the increase in mission aircraft from 9 to 12 C-130-E. Existing fire station is sited at the extreme east end of the aircraft parking ramp. In addition, the new building must support recent change to 24 hour operations.

CURRENT SITUATION: Existing fire station was built in 1955 and presently lacks adequate vehicle stalls, latrines, sleeping quarters and classrooms. Fire station has only enough room to house seven vehicles. Ten vehicles are assigned, necessitating two to set out in the weather. The water distributor has to be housed in another building. The unit has increased from 8 to 12 C-130E. Fire fighting vehicles have increased from 7 to 10. Fire fighters have increased from 5 to 13 and is on 24 hour operations. Existing fire station will be utilized by Base Supply for mobility and WRSK storage

IMPACT IF NOT PROVIDED: Three of the assigned firefighting vehicles will not be sheltered. Firefighting personnel will function with substandard sleeping, dining, and operational facilities. Training would be affected with possible adverse effects on firefighters response to emergencies.

1. COMPONENT ANG	FY 1993 MILITARY CONSTRUCTION PROJECT DATA (computer generated)	2. DATE

3. INSTALLATION AND LOCATION EWVRA SHEPHERD FIELD ANG WEST VIRGINIA	4. PROJECT TITLE CONTROL TOWER

5. PROGRAM ELEMENT 55294F	6. CATEGORY CODE 149-962	7. PROJECT NUMBER PJVY899798	8. PROJECT COST($000) $2,600

9. COST ESTIMATES

ITEM	U/M	QUANTITY	UNIT COST	COST ($000)
CONTROL TOWER	LS			1,600
SUPPORTING FACILITIES				765
UTILITIES	LS			(400)
PAVEMENTS	LS			(250)
SITE IMPROVEMENTS	LS			(75)
DEMOLITION	LS			(40)
SUBTOTAL				2,365
CONTINGENCY (5%)				118
TOTAL CONTRACT COST				2,483
SUPERVISION, INSPECTION AND OVERHEAD (5%)				124
TOTAL REQUEST				2,607
TOTAL REQUEST (ROUNDED)				2,600

10. Description of Proposed Construction: An air traffic control tower with concrete foundations, structural steel frame, composite wall panels, built-up roof and utilities including emergency power generator. Functional areas include the tower cab and associated radio and electronic equipment, classroom, office, latrines, storage, mechanical room, communications room and electrical power room. Dispose of existing tower. Air Conditioning: 12 Tons.

11. REQUIREMENT: 1 LS ADEQUATE: 0 SUBSTANDARD: 1 LS

PROJECT: Construct a Control Tower with access roads and parking, emergency power, site preparation and utilities (Current Mission).

REQUIREMENT: An adequate air traffic control facility properly sized, configured and oriented is needed for positive control of aircraft within the assigned airspace and to also control the movements of aircraft and other ground vehicles on the parking and access ramps.

CURRENT SITUATION: The present control tower was constructed in 1960 to meet the standards of that time. Now it is inadequate in size and technology. The tower cab is extremely small. Severe crowding constitute an hazardous condition. The operators cannot view the entire airfield creating potentially hazardous situations for both ground and air traffic. The facility requires extensive rehabilitation to bring it up to standards. The cramped quarters were built and equipped three decades ago to support a much less demanding air field operation. The current technology requires wraparound consoles, NAVAID monitors and other state of the art equipment to meet the demands of our technologically advancement environment.

IMPACT IF NOT PROVIDED: Hazardous conditions will continue. This will degrade the unit's readiness and mission accomplishment.

C-130-T's FOR MARTINSBURG, WEST VIRGINIA

QUESTION: I have raised a number of questions with Admiral Huntington Hardesty, Commander-in-Chief, U.S. Pacific Command, regarding the procurement of C-130T aircraft for the Naval Reserves to meet the wartime requirements for the naval fleet logistics opeations. I am further advised that two such aircraft are included in the FY 1991 budget request and that current plans exists for basing four C-130T aircraft in Martinsburg, West Virginia. If the Congress were able to provide up to four additional C-130T's in FY 1991 for Martinsburg, West Virginia, what would be the military construction implications, in terms of funding and projects at Martinsburg? For example, what additional hangars and other buildings would be required? Please provide SF 1391 forms for the record, if they are available.

ANSWER: No formal survey has been conducted; therefore, the amount of Military Construction, Naval Reserve and other funds needed to start up a Navy squadron there is unknown.

DEPARTMENT OF THE AIR FORCE

OFFICE OF THE DEPUTY CHIEF OF STAFF FOR LOGISTICS AND ENGINEERING

STATEMENT OF MAJ. GEN. JOSEPH A. AHEARN, DIRECTOR OF ENGINEERING AND SERVICES, HEADQUARTERS

SUMMARY STATEMENT

Senator SASSER. We will now move to a presentation by Major General Ahearn. General Ahearn, you may proceed as you wish this morning.

General AHEARN. Thank you, Mr. Chairman. Let me first begin with the submittal of a formal statement and, if the chairman wishes, I will summarize that quite briefly.

Senator SASSER. Your full statement will be included in the record as if read, General Ahearn, and you may proceed to summarize it.

General AHEARN. Thank you, Mr. Chairman. Sir, I am here to present the Air Force's fiscal year 1991 military construction request. Unlike some of my colleagues who just preceded me, this is not my first time in the hearing room, nor am I a visitor to Washington. But I do remain enthusiastic about the ways of American democracy, particularly as it influences positive change around the world.

For Air Force people today I thank the committee for your continuing support. You have made a significant difference to the strength of the Active and the Reserve Forces.

We have structured a solid program in 1991, down slightly from 1990 but with a balanced investment strategy focused on force modernization, on people, on infrastructure, and on the environment.

We concentrated our force modernization programs to support the B-2 Program, the Peacekeeper Rail Garrison Program, the C-17 aircraft, and the J-6 rocket motor test facilities. These are our large-cost investments for our new missions.

We remain highly focused on people and the dimension that people bring to the capability of the Active and the Reserve Forces. We have a credible balance between the weapons systems investments, the technology investments, and the people support projects, like our revitalization initiatives at Lackland and at Shemya out on the tip of the Aleutian chain and our dormitory and military family housing programs.

We continue to project environmental quality compliance in Milcon requirements at the rate of $20 to $30 million per year.

Let me first outline some of the highlights of our Military Family Housing Program. First, it remains very high on our priority list. The 1991 budget is a balance of managing, maintaining, and improving our 151,000 assets; 141,000 of these assets we own, 10,000 we lease.

The combination of high quality projects and good fiscal stewardship plays out—and pardon if I brag a bit—in the 1989 Military Family Housing and Improvement Program our execution rate is up over 92 percent. I make that statement, one, to reflect the priority of the initiative, and two to cite stewardship in the use of the resources that have been given to us. These are high quality products, that will deliver quality housing neighborhoods lasting for 25 years.

The new construction that we have in our military family housing budget request for 1991 is very small, only for maintenance facilities and for administration facilities for our people. We continue to be quite successful in acquiring new houses through leasing. The section 801 authority has been quite successful, our program about 7,000 strong. It gives us the authority to build to lease. It is a privatization initiative that has been quite successful.

Our flagship program was at Eielson Air Force Base and all 300 units authorized in 1986 are completed and occupied We are successfully pushing through a 7,000-unit program with good speed and with high quality products.

We continue to pursue alternatives in the privatization area, while slow to materialize we look for reenactment of Capehart or a Capehart-like authority so that we can accelerate the revitalization of our 80,000 housing units that are worn out and out of phase with the times.

I transition now to new missions and force modernization. My first observation would be that our 1991 request is down slightly, about $47 million compared to last year's request, and we focus the investments in the B-2 bomber facilities at Whiteman Air Force Base. I would announce that the authorization and appropriation at Whiteman is being used to deliver on time, on target, excellent facilities.

Of the $214 million appropriated for Whiteman B-2 construction, the entire 1988 and 1989 programs, valued at $149 million, are currently under construction or complete. The $56 million program for fiscal year 1990 is ready for construction and contract award. I do not anticipate cost variance requirements for the delivery of fiscal year 1988 and fiscal year 1989 construction at Whiteman Air Force Base.

While we have had some construction deficiencies, we have been able to deliver the line items within the flexibility allowable.

The Peacekeeper rail garrison deployment is moving forward in fiscal year 1990 to support construction at Francis E. Warren, and then it begins the follow-on three bases—Barksdale, Fairchild, and Grand Forks Air Force Bases—and the depot facilities at Hill and at Newark, the big, heavy depot facilities required for the missile.

Of the $104 million appropriated in fiscal year 1990, $76 million is ready for construction award. We await final program review from the Secretary of Defense, however, before awarding these projects. The remaining $28 million is under design, and we will have them ready for contract award late this summer. But we, too, have those on hold pending the program review.

The C–17 aircraft facilities construction in fiscal year 1991 at Charleston and at Altus continues. Of the $12 million appropriated in 1989 and 1990, $5 million is under construction and the remaining portion is scheduled for award this spring. The design of the 1991 program is on schedule and all the projects are well under control.

Let me turn now to the current mission, the emphasis on base development, infrastructure, and the environmental control. We call this the bread and butter element of our program, and we have got that well on track. We are pressing hard with key revitalization programs at Lackland and at Shemya.

At Shemya, the 1991 request is the fourth year of a 5-year program, and is going well. The initiative is showing major dividends at Shemya. Of the $53 million appropriated in 1988 and 1989, all of the construction is complete.

At Lackland, the request represents the second year of a 5-year program. We are moving ahead with design and construction that was authorized in 1990 and we anticipate to be supported in the 1991 program.

Our overseas program supports the force structure advocated by General Galvin and other senior U.S. military commanders and our NATO ambassador for basing structure in Europe through the 1990's. We scrubbed these requirements hard and only the bare bones new mission and hardcore current mission people projects are reflected in our 1991 budget request.

Let me conclude my remarks with a few quick items about real property maintenance. This program, funded by the O&M appropriation, different from our Milcon, is vital but interrelated to the base development. We remain convinced that investing in this program, as well as the Milcon, is required in lockstep to maintain the infrastructure reliability and capability of our air forces based around the world.

We want to take care of our facilities and I believe that we have been doing it well under the two appropriations—Milcon and the real property maintenance activity.

PREPARED STATEMENT

Sir, that concludes my brief overview. I am pleased again to be before you and your subcommittee.

[The statement follows:]

STATEMENT OF MAJ. GEN. JOSEPH A. AHEARN

INTRODUCTION

Mr. Chairman and members of the committee, I am Major General Bud Ahearn, Director of Engineering and Services, Headquarters United States Air Force. I am pleased to again have the opportunity to testify before your committee to present the Air Force's Military Construction Request for Fiscal Year 1991.

OVERVIEW

I would like to thank the committee for its continuing support of the Air Force's Military Construction Programs. These are exciting times for us in the Air Force MILCON business as we press forward with a program designed to support national priorities and programs, maintain a balance of new weapon system and people support projects, and continue our efforts to protect the environment while incorporating Fiscal Year 1990 Congressional direction and emphasis.

We are sensitive to the need to trim budget requests and our Fiscal Year 1991 appropriation request is reduced in comparison to prior years. Our appropriation request for MILCON and Military Family Housing is $2.348 Billion in Fiscal Year 1991. Our Fiscal Year 1991 request as submitted to you represents a $61.1 Million reduction from our Fiscal Year 1990 request. The MILCON request is at $1.376 Billion and the Family Housing element represents $971.9 Million. Accounting for inflation, this represents a 6.7 percent reduction.

The Military Family Housing appropriation request for 1991 is $44 Million less than the corresponding Fiscal Year 1990 appropriation request. The second segment, which we call the MILCON portion of our Fiscal Year 1991 appropriation request is $17.1 Million less than the Fiscal Year 1990 appropriation request.

Once again, our Military Construction submittal contains two major segments. The first segment addresses our Military Family Housing Program. The second segment of our submittal concerns construction for new aircraft, missile, command, control, communications and intelligence (C3I), and space systems as well as revitalizing our infrastructure and existing facilities.

Our MILCON Program for Fiscal Year 1991 has several objectives. These include supporting Defense and Air Force priorities and programs, creating a balanced program and incorporating prior year congressional emphasis and direction. Our Defense and Air Force priorities focus on personnel and quality of life needs, readiness enhancements, strategic force modernization, conventional force restructuring, environmental protection and efforts to maintain our production rates and technology base. We also support Secretary of Defense Cheney's legislative initiative to streamline the Base Closure process as a means to realize savings promptly. We have built a balanced program, concentrating on an effective blend of new and current mission MILCON requirements. Lastly, we are following the prior year Congressional direction and emphasis on burdensharing and have substantially reduced our overseas

MILCON request for Fiscal Year 1991. We have carefully screened our overseas construction projects to be sure they support requirements that will survive this period of great change and that the projects are located at bases we are confident will be in our long-term base structure.

I will now briefly discuss the Air Force's Fiscal Year 1991 MILCON Program. I will address the Military Family Housing Program first, followed by the new mission and current mission MILCON and a few words on several special programs.

MILITARY FAMILY HOUSING

As in years past, the Air Force leadership considers Military Family Housing its most important facility program. We are convinced that no other facility effort influences the performance and commitment of our people as having a quality home for their families. We appreciate the Congress' support of our Family Housing Program as we strive together to take care of the "Line of the Air Force" by providing quality homes for a quality force.

The Air Force's Fiscal Year 1991 request represents a balance between managing, maintaining and improving our housing assets. The revitalization of our existing housing units is our primary focus. Our Fiscal Year 1991 request for revitalization is $173.6 Million and remains approximately equal to the Fiscal Year 1990 request. This funding level permits us to continue with our "Whole House" program -- but the buyout of our backlog continues to be in excess of 25 years. We continue to explore private sector financing alternatives that could be used to supplement this effort and significantly reduce the buyout period. Unfortunately, to date, we have been unable to identify a proposal that is both economically attractive and consistent with established budgeting procedures. However, we are continuing our efforts because the optimum buyout period is approximately 12 years. The continuing support by this committee of this highest priority Air Force Construction Program is greatly appreciated.

Our $3.0 Million new construction program continues to focus on the replacement of outdated and unsuitable family housing support facilities.

You will note our family housing construction program includes some projects at bases that have been announced to be studied for possible closure. We were not able to withdraw these projects from the program due to the timing of the base closure announcement. We submit that the committee could address these projects in one of two ways: either approve the projects with the understanding that execution must await a final decision on closure, or defer the projects for consideration in Fiscal Year 1992 and substitute other requirements in Fiscal Year 1991. Either of these options would be satisfactory to the Air Force.

In the leasing category, we are moving forward with the authorities granted by the Congress. We are successfully acquiring new houses using the Section 801 Build-Lease Program. Our Fiscal Year 1991 budget seeks funds for 1853 new

Section 801 units. In addition, we are aggressively pursuing several Section 802 rental guarantee projects, with the largest at McConnell Air Force Base, Kansas.

The Family Housing operations and maintenance request for Fiscal Year 1991 is $789.3 Million. This funding level provides for the quality of repair work generated each year. This year and for the period of the eighties, we have not had sufficient maintenance funds to reduce our billion-dollar backlog.

NEW MISSION MILCON

We continue to separate our MILCON Program into two elements called new and current mission. The new mission portion of the request supports deployment of new weapon systems, force structure changes and readiness enhancements. This segment builds our warfighting edge. New mission MILCON projects constitute 60 percent of the Fiscal Year 1991 Military Construction request at $831 Million. This represents a $37.4 Million reduction compared to the Fiscal Year 1990 appropriation request.

This year's new mission MILCON request includes facility projects to continue beddown of the B-2 bomber, deployment of the Peacekeeper-Rail Garrison and continuation of facility construction to support the C-17 aircraft. Additionally, authorization and appropriation are sought to begin construction for the Titan IV Complex at Vandenberg Air Force Base, California.

B-2 BOMBER

Our construction of the initial B-2 deployment to Whitemen Air Force Base, Missouri began with the Fiscal Year 1988 MILCON Program and continues with our Fiscal Year 1991 request. Follow-on locations will be announced in conjunction with the submission of the President's Budget containing the first year of MILCON for each of these locations. Depot maintenance for the B-2 Bomber will be performed at Tinker Air Force Base, Oklahoma.

Congress has supported $89.3 Million in Fiscal Year 1988, $59.5 Million in Fiscal Year 1989 and $65.5 Million for B-2 facilities at Whiteman Air Force Base and $31.8 Million for facilities at Tinker Air Force Base in Fiscal Year 1990. For Fiscal Year 1991, our request is $117.1 Million. This includes $95.7 Million for Whiteman Air Force Base and $21.4 Million for Tinker Air Force Base.

PEACEKEEPER - RAIL GARRISON

Our Fiscal Year 1991 appropriation request continues to support the President's decision to deploy the Peacekeeper-Rail Garrison Weapon System.

Congress appropriated $104.85 Million in Fiscal Year 1990 for construction at F.E. Warren Air Force Base, Wyoming. F.E. Warren Air Force Base has been designated as the first Rail Garrison main operating base.

The Fiscal Year 1991 request includes $254.32 Million for construction at F.E. Warren Air Force Base, Wyoming, Barksdale Air Force Base, Louisiana, Grand Forks Air Force Base, North Dakota and Fairchild Air Force Base, Washington and depot facilities at Hill Air Force Base, Utah and Newark Air Force Station, Ohio.

C-17 AIRCRAFT

Our Fiscal Year 1991 request of $29.64 Million provides facilities at Charleston Air Force Base, South Carolina and Altus Air Force Base, Oklahoma to support the C-17 program to modernize and enhance the Air Force's strategic and tactical airlift capabilities. Specifically, the request includes two projects for $8.74 Million at Charleston Air Force Base and $20.9 Million for three projects at Altus Air Force Base.

Congress supported $7.3 Million in Fiscal year 1989 and $4.65 Million in Fiscal Year 1990 to support facility construction at Charleston and Altus Air Force Bases.

LARGE ROCKET TEST FACILITY (J-6)

The Arnold Engineering Development Center, Tennessee provides the only national capability for testing rocket engines at altitude. The J-6 facility provides the capability to safely test highly volatile new propellants at a thrust of 500,000 pounds at an altitude of 100,000 feet. The new generation of rocket motors, such as the Peacekeeper, require thrust capabilities up to 350,000 pounds. The future generation of rocket motors will require even higher thrusts.

For Fiscal Year 1989, the Congress authorized the total cost of the project in the amount of $183 Million, while providing appropriations in the amount of $50 Million to begin the first phase of the three-year construction program. Congress appropriated $66 Million in Fiscal Year 1990 with an additional authorization of $43 Million for a revised project authorization of $226 Million. The Fiscal Year 1991 appropriation request of $109.3 Million will allow us to complete the project.

TITAN IV TEST FACILITIES

The Air Force is requesting $19.2 Million in Fiscal Year 1991 to begin the Titan IV Launch Facility Complex at Vandenberg Air Force Base, California. The Titan IV launch vehicle provides a capability to place our scheduled heavy payloads into orbit.

The Air Force is also requesting $10 Million in Fiscal Year 1991 to purchase land options for acquisition of realty interests south of Vandenberg Air Force Base to meet launch safety requirements. Method of acquisition, whether in fee or restrictive easements, is currently under study. The land will be purchased in Fiscal Year 1992 and the easements acquired in Fiscal Years 1993 and 1994.

401ST TACTICAL FIGHTER WING RELOCATION

Our Fiscal Year 1991 appropriation request does not contain any MILCON to support the relocation of the 401ST Tactical Fighter Wing from Torrejon Air Base, Spain to Crotone Air Base, Italy.

Currently, NATO and the Italian Government are moving forward on the planning and design of Crotone. We are working with NATO and the Italians to stay below the $360 Million expenditure cap imposed by the Congress. In compliance with the conference report language, we are not scaling back the scope of facilities or reducing the quality of the project to meet this expenditure cap. Our current cost estimates from refined relocation plans are within the $360 Million expenditure cap.

CURRENT MISSION MILCON

The segment of our MILCON Program called current mission is dedicated to revitalizing our physical plan. We consider the current mission program to be our "Bread-and-Butter" because it satisfies our basic need to care for our people, our infrastructure and our environmental quality.

We appreciate the support Congress has provided over the years to provide the facilities needed to care for and retain a highly-trained and motivated warfighting aerospace force. Facilities which: promote the productivity of our people, are economical to operate and maintain; and exist in a safe and clean environment; promote the retention of an experienced, productive and highly-motivated career force, (thereby reducing our costs for recruiting and training); make sense at the "Bottom-Line".

Our Fiscal Year 1991 current mission appropriation request totals $545 Million and while this request is one of the lowest in recent years, it does not diminish our commitment to revitalizing our facility infrastructure. Rather it is a recognition of budget realities.

We remain sensitive to the need for a balanced MILCON Program supporting both the new and current missions programs. As force structure and new weapon system beddowns stabilize in the future, we will again be looking toward increasing our current mission line. It is imperative we sustain our efforts to turn the corner on our current 200 year-plus facility revitalization rate.

Let me address our continuing efforts on two very important revitalization initiatives at Lackland Air Force Base, Texas and Shemya Air Force Base, Alaska and conclude with a few words on our program investments in the overseas MILCON Program.

LACKLAND AIR FORCE BASE, TEXAS

Our Fiscal Year 1991 appropriation request includes funding for the second year of our five-year program to revitalize Lackland Air Force Base. The program focuses on solving infrastructure problems and replacing World War II buildings cluttering the base that represents the "Gateway to the Air Force".

For Fiscal Year 1990, the Air Force requested and received approval for the initial funding year of $19.5 Million. For Fiscal Year 1991, the Air Force is requesting $22.5 Million for a dining facility, fire station, base engineer complex, base roads and an upgrade to the base sewer system.

SHEMYA AIR FORCE BASE, ALASKA

The Air Force is requesting $47.4 Million in construction projects for Fiscal Year 1991 to sustain our on-going revitalization of Shemya Air Force Base, Alaska. This request is for a dormitory alteration, base roads upgrade, renovation to key base support facilities and utility systems and a new vehicle maintenance facility.

OVERSEAS MILCON

The Air Force continues to have facility requirements overseas both in terms of the new mission MILCON and facility revitalization under the current mission program.

In deciding on MILCON projects in Europe, the Air Force carefully considered future impacts of force structure reductions which could result from the on-going CFE talks. In addition, we considered even greater force reductions that could result from future negotiations and constrained our program to projects at installations that we are confident will remain in our long-term base structure.

In the Pacific, with the exception of a control tower cab project at Clark Air Force Base to correct a life safety hazard, our program supports MILCON for those installations located in countries that are not presently undergoing sensitive base rights negotiations. The program fully supports the strategy reaffirmed by Secretary of Defense Cheney during his recent trip to the Pacific area which calls for maintaining a credible U.S. Military presence.

In fact, our Fiscal Year 1991 overseas MILCON request of $196 Million is $162.5 Million less than requested in Fiscal Year 1990, and is the lowest submitted in recent years. It is a balanced program with $116 Million in new mission requirements and $80 Million in hard core current mission needs. This program represents 14 percent of the Fiscal Year 1991 appropriation request.

CONCLUSION

Mr. Chairman, our Fiscal Year 1991 request supports facility projects for the most powerful aerospace force in the world. We appreciate the support of your subcommittee and Congress as, together, we protect and enhance the interests of the United States throughout the world.

I am honored to be able to appear before your committee today and to represent the United States Air Force. I am prepared to answer your questions.

BUDGET REQUEST REDUCTION

Senator **Sasser**. Thank you very much, General Ahearn.

Something jumps out at us here in your request this morning. The Army's request was $44 million less for fiscal year 1991 than fiscal year 1990, and the Navy came in $30 million under their fiscal year 1990 request. We find the Air Force is $167 million over where it was last year.

Now the question comes. Is the Air Force request out of sync, given the pressures to moderate our defense budget?

General **Ahearn**. Sir, let me speak to our request. More than $800 million—$860 million, I believe—is for the new mission, the force structure, the technology investments that we have been pursuing. The remainder is for our current mission.

If we were to compare, first of all, the business for new missions. Many of these projects are being reviewed by the Secretary at this moment, the Secretary of Defense. Should they make it then these requirements are essential to beddown the B-2's and the rail garrisons. Should they not make it, then the new mission programs will be reduced in size as compared with the Navy and the Army.

B-2

Senator **Sasser**. Let me ask you about the B-2. How much is requested in the budget for B-2 facility construction?

General **Ahearn**. Sir, the 1991 budget request is $117 million for the B-2 beddown.

Senator **Sasser**. And how much has been approved to date?

General **Ahearn**. Sir, the program stands at about $240 million.

Senator **Sasser**. $240 million approved to date?

General **Ahearn**. Yes, sir.

Senator **Sasser**. And you are requesting, did you say, another $191 million?

General **Ahearn**. $117 million, sir.

Senator **Sasser**. How many B-2 bases do you presently plan to build?

General **Ahearn**. Sir, we plan to build four bases—Whiteman and three follow-on bases.

Senator **Sasser**. Where are these bases to be located? Do you know at the present time?

General **Ahearn**. Sir, I do not know. We will not know until about fiscal year 1993.

Senator **Sasser**. And what will be the total Milcon cost for the B-2?

General **Ahearn**. About $1.8 or $1.9 billion.

Senator **Sasser**. You plan to build a hangar for each airplane; is that correct?

General **Ahearn**. Yes, sir.

Senator **Sasser**. And at what cost totally will these hangars be built?

General **Ahearn**. Sir, it is about $4.5 million per shelter, and our program, as structured today, is 132 aircraft.

Senator **Sasser**. So we just multiply 132 times $4.5 million and you have got it.

General **Ahearn**. I will get that for you.

[The information follows:]

Cost of Hangars to be Built

The procurement of 132 aircraft requires 120 docks at a total cost of $541 million. This total included $451 million for new docks and $90 million for alteration of existing structures.

AIR-CONDITIONING HANGARS

Senator **Sasser**. Are these hangars going to be air-conditioned, as the press has reported?

General **Ahearn**. Air-conditioned? No, sir; not at all. The aircraft are to be parked, to be refueled, to be armed and to be maintained in the shelters. The shelters require environmental control, but they do not require air-conditioning. They do require heat.

The nature of the materials, the composites that the B–2 is made of, and the operating process and the maintenance process require panels to be removed from the aircraft after every flight. After maintenance, resealing of the panels is required. The resealing with the composites requires environmental protection.

Senator **Sasser**. Well, how did this air-conditioning report get started?

General **Ahearn**. Sir, I think it was confused with ventilation. If you are going to refuel an aircraft and have aircraft that have fuel in them parked in a closed shelter, vapors are provided and consequently we have got to ventilate the vapor out of the facilities.

Senator **Sasser**. Well, are any of the B–2 facilities proposed to be air conditioned, of the working spaces?

General **Ahearn**. Well, perhaps some avionics and computer maintenance facilities, sir, but not the maintenance shelters.

Senator **Sasser**. Why do we need a hangar for each separate airplane?

General **Ahearn**. The first response is to care for a very high value, very limited number of assets. The aircraft and the composite materials can withstand weathering, so that weathering is not a driver in the context of the need for shelter. They need a very highly controlled environment for maintenance, some of which I have just spoken to.

The objective is to secure and to be able to, as efficiently as we can, turn the aircraft so that we can protect and operate the asset.

Senator **Sasser**. Well, how many B–2 bombers have been bought to date by Congress? I ought to know that answer.

General **Ahearn**. About 16 aircraft.

Senator **Sasser**. Sixty?

General **Ahearn**. Sixteen.

Senator **Sasser**. I was going to say I thought that number was high. What if Congress cancels the future production of the B–2? How does that change your request for facility construction in fiscal year 1991?

General **Ahearn**. Sir, there is a set of fundamental core facilities, most of which have been authorized in prior years, a few of which remain in the 1991 budget request.

The other elements are the shelters themselves, and we would ask for authority and resources to shelter the number of aircraft that are actually purchased.

Senator SASSER. So if we purchase 16, go ahead and buy and get the 16 into the fleet, we are talking about 16 hangars?

General AHEARN. Yes, sir; at Whiteman we have some existing hangar facilities. We would not have to build shelters for each of the 16. We could use some of the existing shelters.

There are also some alert shelters that are required. We plan on placing some of these aircraft on alert 24 hours a day, and those need to be constructed.

Senator SASSER. Well, if we cancel the future procurement of the B-2, how many bases will you need to build then. Would you stop with what you have got at Whiteman?

General AHEARN. Whiteman, of course, has a finite capacity to bed down the aircraft. I would anticipate that the number would grow beyond the capacity of Whiteman. The number of bases would be established in proportion to the number of aircraft that are purchased.

Senator SASSER. Well, if we just had 16.

General AHEARN. Then Whiteman is sufficient to meet the need.

TITAN IV AT VANDENBERG

Senator SASSER. Let me ask you, General, about the funds that are requested to support the Titan IV at Vandenberg. You have requested funds for that purpose, have you not?

General AHEARN. Yes, sir.

Senator SASSER. Well, when will the Air Force decide whether to build a new launch center, SLC-7, or reconfigure SLC-6?

General AHEARN. Sir, we anticipate completing an economic and capability review in the month of May 1990, and hence our answer should be clear then. If we see a need to change, then we certainly will be back to so advise.

Senator SASSER. General Ahearn, I have been told it would cost less to reconfigure SLC-6. Is that a correct assessment?

General AHEARN. Excuse me, sir?

Senator SASSER. I have been told it would be less expensive and we could save money if we reconfigured SLC-6 rather than going on to a SLC-7. How much less would it cost?

General AHEARN. I do not have that figure at hand. It was not so significant that the Executive Space Council thought that we ought to retrofit SLC-6. The Space Council reviewed this very thoroughly and came down on the side of building a new one. We have got some new technology that is forthcoming out of the advanced launch system, and that new technology is being reviewed along with the economic analysis that is ongoing.

I would believe that in May we will have a clearer picture of the decisionmaking process.

Senator SASSER. Would you provide for the record the difference in cost between reconfiguring SLC-6 and building a more expensive SLC-7?

General AHEARN. I would be pleased to, sir.

[The information follows:]

RECONFIGURING SLC-6 AND BUILDING A SLC-7

The estimated cost to build SLC-7 (as originally conceived and as proposed) as an integrate on pad launch complex is $750 million, which includes $105 million of Milcon requirements. To build SLC-7 in compliance with congressional direction as an integrate transfer and launch (ITL) and clean pad facility, with an associated launch rate of five to six Titan IV's per month, will cost in excess of $900 million, which includes up to $250 million of Milcon requirements. The corresponding cost estimate for SLC-6 as an integrate on pad launch complex is $610 million including $19 million of Milcon.

TITAN IV LAUNCH PAD

Senator **SASSER**. Have we not already reconfigured another launch pad for Titan IV launches at Vandenberg?

General **AHEARN**. Yes, sir; there is an existing pad for Titan IV.

Senator **SASSER**. Why is this pad not sufficient?

General **AHEARN**. Sir, the launch rate, the number of launches required both on the east coast and on the west coast is such that an additional asset is required to meet the mission profile, as our space people see it.

Senator **SASSER**. Well, with all the changes going on in the world today, gee whiz, they have just outpaced our wildest expectations, at least to date. Will any of the Titan IV missions currently planned still be necessary? I guess I am coming around to the point that, given the world that we live in, if it continues on as it is today, can we not reduce the number of missions and eliminate the need for a new launch pad?

General **AHEARN**. Sir, as recently as the month of March we revalidated the mission profiles and find no significant change. So I see the demand all the same and perhaps even more intense, given the general change in the world.

MX RAIL GARRISON

Senator **SASSER**. Let us move on to the MX rail garrison. How much do you request in this budget for the MX rail garrison?

General **AHEARN**. In the rail garrison budget request this year, $268.7 million is requested, sir.

Senator **SASSER**. How many MX rail garrison bases will be necessary if we deploy this system?

General **AHEARN**. I see seven bases, sir, necessary, and two depots, one at Hill and one at Newark Air Base.

Senator **SASSER**. What would be the total Milcon cost of these bases? Do you have that number there?

General **AHEARN**. I think I do, sir. About $680 million for the whole program.

Senator **SASSER**. Do you know how much or can you tell us how much Milcon money has been appropriated for the MX rail garrison to date?

General **AHEARN**. Yes, sir; in fiscal year 1990 a total of $115.7 million was appropriated. $105 million of that was for construction at Francis W. Warren, and $11 million of that was for design. In fiscal year 1989, $13.2 million was appropriated for design.

Senator **SASSER**. How much of that has been obligated?

General **AHEARN**. Sir, none of the construction has been obligated, and about $20 million of the design.

Senator **Sasser**. Well, now there is a growing interest in eliminating the mobile multiple-warhead missiles in the START agreement or in a START II agreement. Does the Air Force oppose such an agreement, to your knowledge, General Ahearn—eliminating these mobile MIRV's?

General **Ahearn**. Sir, the Air Force has gone through a very lengthy review of the 1992 through 1997 program, the six-year defense plan [SYDP]. We completed it last week. We have forwarded it to the Secretary of Defense for their review. There are indeed many program changes across all of our weapons systems.

The Air Force has proposed some changes, and I am not at liberty to announce our position at this moment with the rail garrison. It needs to be reviewed by the Secretary of Defense in the context of his national security policy review.

Senator **Sasser**. Well, I am sure that the Air Force is considering the potential that the mobile MIRV's are going to be banned in a later START agreement. I do not have any doubt about that.

Are you considering slowing down the construction of the new rail garrison bases until we know where MX stands in the START negotiations?

General **Ahearn**. Indeed, sir. We have got everything on hold. That which is ready for contract award, we have on hold. That which is ready for the next phase point of design we have on hold until the Secretary completes his review.

Senator **Sasser**. General Ahearn, I have got some additional questions here which we will submit for the record, but I would say to you that I am interested, very much so. I think we ought to do what we can to put as much of this on hold as we can until we ascertain what direction we are going with a lot of these new weapons systems.

All of them are not going to make it. I think you and I both know that. Let us not put any Milcon money out there to prepare for a weapons system that does not come. I think we need to delay that and defer much of this just as long as we can.

401ST RELOCATION TO ITALY

Let me ask you one other thing. The question of the 401st Tactical Fighter Wing. Are there any funds requested in this fiscal year 1991 budget to support the relocation of the 401st?

General **Ahearn**. Yes, sir; there certainly are. They are predominantly in the NATO infrastructure budget request. This is a NATO project. The decisions to field this NATO program have been made. We are pressing on with the design, through our NATO team, and the Minister of Defense of Italy has issued a decree, signed a decree, to expropriate the land.

We anticipate the land to be available for ground breaking in July–August, and have a robust set of designers and builders getting ready to build that base.

Senator **Sasser**. Well, the Air Force is not planning to request unilateral construction for this base.

General **Ahearn**. Not at all, sir. Sir, General Galvin was here to give us his insight as the Supreme Allied Commander over there. He made a rather profound statement.

Senator **Sasser**. Well, what did the General say, if I might ask?

General **Ahearn**. He said if the world circumstances allowed such force reduction to have two air bases left in Europe, he would place one in England and the other one at Crotone.

Senator **Sasser**. Very interesting.

General **Ahearn**. It really is. He gave that argument for reasons of force projection and flexible response. The location of that base is terribly significant.

Senator **Sasser**. What was he thinking about, force projection south?

General **Ahearn**. Force projection throughout that entire Mediterranean area, yes, sir, and to some of the Eastern European areas.

Senator **Sasser**. What is the current projected cost of the new base in Italy?

General **Ahearn**. Sir, it is about $800 million in NATO resource.

Senator **Sasser**. Of that $800 million, what percent is from the NATO infrastructure program?

General **Ahearn**. It is all from the NATO infrastructure.

Senator **Sasser**. And what percentage is our contribution to that?

General **Ahearn**. About 28 percent.

Senator **Sasser** Is the Air Force currently planning a program for family housing at the base and, if so, how will you pay for that?

General **Ahearn**. Yes, sir; we plan on paying for that with interest-free, up-front financing by NATO and the replenishment of that investment by the basic allowance for quarters paid back to the members of NATO who contributed.

Senator **Sasser**. Are you still planning to move the 16th Air Force headquarters to Italy?

General **Ahearn**. We are not.

Senator **Sasser**. What is the status of the negotiations in the Philippines at the present time surrounding Clark Air Force Base?

General **Ahearn**. Difficult, prolonged, uncertain.

Senator **Sasser**. Has the Air Force studied alternatives to Clark?

General **Ahearn**. Indeed, we have.

Senator **Sasser**. Is the Air Force prepared to leave Clark if we are unable to negotiate a satisfactory agreement?

General **Ahearn**. I believe we are, sir. There are other authorities that I would need to consult with before I would positively answer that.

Senator **Sasser**. Do you want to give us your view or the Air Force's view of what would be a satisfactory agreement?

General **Ahearn**. No; I would not, sir.

Senator **Sasser**. Do you have a 5-year plan for construction of new facilities at Clark if we are able to negotiate a new agreement?

General **Ahearn**. I do. I have got a plan. It focuses primarily on the capability of some of our advanced, now ready to be fielded, weapons systems, and also on people.

Senator **Sasser**. How much do you plan to spend at Clark if a new agreement is approved?

General **Ahearn**. Sir, I do not have that number with me, but $75 to $100 million would be my best judgment.

Senator **Sasser**. Over a 5-year period?

General **Ahearn**. Yes, sir.

Senator **Sasser**. Can you tell us in open session how much military construction funds would be required at alternate locations if we were forced to leave the Philippines?

General **Ahearn**. I do not have that available. We do have that, sir.

[The information follows:]

Military Construction Funds

If the Air Force were forced to leave the Philippines, military construction funds required at alternate locations would be dependent on the forces to be retained and the available resources to be retained and the available resoures in-theater at the time of the move. The cost, while considerable, cannot be determined at this time.

MOVE FROM THE PHILIPPINES

Senator **Sasser**. I have a hunch we are going to find that is not going to be as expensive a move as some had thought at the outset. I hope we are making that clear to the Philippine Government, that we do indeed have alternatives. Clark is an important location, it is an important base, we want to stay there, but we do not have to stay there.

If the Philippines asks too much of us by way of foreign aid or some other request, it would be my view that we would be prepared to exercise our options elsewhere.

General Ahearn, I want to thank you for appearing here today. Oh, one other thing. You alluded in your opening statement to the J–6 rocket test facility. I have a parochial interest in that, since it is in my State.

You might tell me what the status of that project is. I understand Secretary Atwood has withdrawn the funds pending a decision from GAO on the bid protest. Is that correct? What is the story on that?

General **Ahearn**. Sir, the authority for obligating authorized and appropriated military construction has been withdrawn. It was withdrawn on March 23. On March 21, we had issued a notice to proceed to construct the project. We have issued a hold to the contractor, pending a re-review of the project.

You recall it was reviewed when we asked for and won reprogramming authority to allow us to obligate that project at the negotiated best cost. We anticipate the GAO review will be completed about May 3 or 4, the first week of May. We have a review ongoing by the Defense Department of the requirement, a re-review of the requirement.

We stand ready to execute just as soon as we win the authority back to use the resources that we have to do the project.

Senator **Sasser**. All right. General Ahearn, we thank you for appearing here today.

CONCLUSION OF HEARINGS

Senator **Sasser**. There being nothing further to come before the subcommittee, I would recess this hearing and say this hearing concludes the regular hearings of the subcommittee and the subcommittee will recess subject to the call of the Chair.

[Whereupon, at 12:11 p.m., Monday, April 2, the hearings were concluded, and the subcommittee was recessed to reconvene subject to the call of the Chair.]

Material Submitted Subsequent to Conclusion of Hearings

[Clerk's Note.—The following material was received subsequent to the conclusion of the hearings, and will be inserted in the record at this point.]

STATEMENT OF THE NATIONAL SECURITY AGENCY

The National Security Agency appreciates the opportunity to present its Fiscal Year 1991 budget request for Military Construction and Family Housing.

The Military Construction and Family Housing programs proposed for FY 1991 may be characterized as modest improvements which enable this Agency to provide essential upkeep to its infrastructure. A concerted effort has been made to minimize costs and at the same time, to weigh important needs which will afford the most advantage in sustaining essential operations.

The FY 1991 program request reflects the result of an intensive review of all NSA facility and family housing requirements and a continuing effort to provide much needed infrastructure upgrades that not only respond to current requirements but also provide the capability to support planned mission systems.

Since many existing support systems were originally designed to support 1970's technology, the FY 1991 military construction request incorporates requirements for added cooling and electrical power. At present, the added demands for cooling and electrical power are stretching current electrical loading and cooling capacities to their limits. Projects to provide reliable electric power to Operations Building #1 (Substation 1 Upgrade - $6,025,000 and Low Voltage Power Upgrade - $8,221,000) will modernize a 30 year-old system and provide the capacity to support increased electronic loads and maintain mission capabilities without interruption during emergencies and/or periods of preventive maintenance. The anticipated influx of supercomputing power, resulting from advances in technology, not only increases the need for electrical power, but also requires added cooling to prevent damage to these sophisticated systems from the enormous amount of heat they generate. Also, two additional 1,600 ton cooling towers are programmed for Operations Building #2A ($1,800,000) to accommodate current and projected chiller capacity requirements.

In addition to the foregoing power and cooling upgrades, the FY 1991 request includes a 23,000 square foot addition to Building 9805 which houses the Service Cryptologic Element administrative support offices ($3,425,000). This additional space will restore much needed dormitory spaces and will enhance the operational efficiency of the Service Cryptologic Elements (SCE). The reduced crowding of SCE barracks personnel will provide an acceptable standard of living for dormitory residents and have a positive impact on troop morale, thus benefiting the overall mission.

The FY 1991 budget request also contains a requirement to add a second water storage tower ($2,375,000) at one of our largest field sites. This project will provide expanded water storage capabilities necessary to protect added facilities and support expanded mission at the site. This project provides sufficient water storage for fire protection, operations, and residential facilities located at this important site.

Family Housing/Defense Appropriations funds are needed in FY 1991 ($8,694,000) to continue to house our civilian and military personnel assigned to NSA overseas locations.

Detailed statements on each of these projects follow.

FY 1991

OPERATIONS BUILDING 2A COOLING TOWERS - $1,800,000

Operations Building 2A presently has three 1,600 ton cooling towers. The chiller capacity of these units is insufficient for current demands and provides no allowance for future demands to support state-of-the-art equipment scheduled for installation or for back-up maintenance capacity. This project will provide two new 1,600-ton cooling towers required for full chiller operation plus sufficient back-up for additional requirements and redundancy needed to perform required maintenance. If these cooling towers are not provided, Operations Building 2A will not have sufficient cooling capability to support mission-critical electronic equipment and computer systems. Without built-in excess capacity even routine maintenance cannot be performed without adversely affecting existing mission requirements.

SUBSTATION 1 UPGRADE - $6,025,000

This project will provide for replacement of the existing Substation 1 which is over 30 years old and nearing the end of its useful life. This high voltage substation has a current capacity of two 26,700 KVA transformers, which is insufficient to provide backup capabilities and to support projected requirements of the late 1990's. Without this project, performing maintenance on this system requires the utilization of emergency generators to provide sustained power to critical mission systems in our main operations building. The new primary substation will include two transformers that will provide a total of 53,400 KVA each. The project will also provide new switchgear with a higher interrupting capacity and will be integrated with other existing substations to provide a flexible power distribution grid. Once completed, the new substation will provide a reliable source of electrical distribution with enough flexibility to provide emergency power during a crisis and to allow maintenance of the transformers without the temporary loss of operational capabilities.

This project is required to provide reliable power to the increasing number of electronic systems in Operations Building 1. Without this new substation, we will be unable to install any new systems, and will have to interrupt one-half of existing operations in order to perform maintenance.

LOW VOLTAGE POWER UPGRADE - $8,221,000

Advances in technology require an increased use of supercomputers and high performance workstations to support Agency mission requirements. As a result, electrical requirements in Operations Building 1 are increasing at a rate in excess of 8 percent per year. Existing secondary substations do not have the capacity to support the increased demands, and the configuration of the building's utility cores will not permit installation of any additional secondary substations. This project will provide for the construction of two reinforced concrete electrical utility vaults containing a total of six new secondary substations. The vaults will also accommodate all associated switchgear, primary electrical service, and future uninterruptible power supply equipment. Construction of the vaults will enable us to retain existing building space that is dedicated to mission-essential equipment and avoid relocating the equipment or personnel to provide space for the additional substations.

This project provides additional low voltage power to Operations Building 1 and will affect all systems installed or to be installed in the building. Without this project we will be unable to provide sufficient electrical power to support growing demands.

FAMILY HOUSING/DEFENSE APPROPRIATIONS

The NSA Family Housing Program is designed to provide adequate housing for that portion of our civilian and military personnel assigned to overseas locations. The total funding of $8,694,000 will allow us to continue the foreign leasing program; to purchase housing at an overseas location; and to maintain previously purchased units.

LEASING

The amount requested for NSA's foreign leases is $7,195,000. NSA seeks authorization for 430 standard leases and funding for special cryptologic leases. NSA uses these authorizations to lease housing units from private homeowners throughout the world in order to house a portion of our personnel assigned to classified overseas locations. (All other employees are housed in military housing or receive a living quarters allowance.) In many cases, these housing units are located in areas with severe housing shortages and, thus, long-term government leases ensure that adequate housing is always available. As such, government leased housing is an incentive to encourage NSA employees to accept field assignments. (The total cost for a typical lease includes rent, utilities, maintenance, and realtor's fees.)

OWNED

To sustain our 161 government-owned units at an overseas location, the budget requests $1,042,000. This includes operations and utilities costs for: cleaning; repair and replacement of furnishings; utility services; refuse collection and disposal; and administrative support including local national's salaries. Further, these costs cover routine maintenance and repair of the dwellings and utility systems.

A modest level of post construction funding ($57,000) will provide for improvements to government-owned dwellings, which were previously in the Department of Army inventory. The work will include: alteration and repair of kitchens and baths; exterior upgrades; extra weather protection, and minor improvements to 4 bedroom units. This repair and improvement work is necessary to restore deteriorated portions of the structures and upgrade the units to contemporary standards. The units are over 30 years old and existing kitchens and baths need extensive renovation and upgrading. Storage sheds, security lighting, new hot water heaters, extra weather protection, and other minor upgrades are planned which will reduce future operating costs, conserve energy, provide an acceptable living standard for our personnel, and increase property values.

New construction funds ($400,000) will be used to acquire 3 housing units overseas. These government-owned units will establish a nucleus of government-owned quarters and lend stability to our housing inventory which currently relies on leased units. With the presence of several other bases in the area, the leased housing market is very competitive. Even when leased housing is secured, the period of the lease does not coincide with the three-year assignment of personnel, and causes continuous displacement of our families. Therefore, the purchase of these units will have a stabilizing effect on the family housing situation at this classified location.

BUILDING 9805 ADDITION - $3,425,000

Building 9805 is a 32,240 square foot facility located adjacent to the Service Cryptologic Element (SCE) enlisted barracks at Fort Meade. It houses the local SCE headquarters elements. Since the building is too small to fulfill the operation, administration and training space requirements, an area containing space for over 200 enlisted barracks spaces has been diverted to accomplish these tasks. The diversion of these spaces has resulted in the payment of quarters allowance to service members who cannot be housed in the barracks. The introduction of headquarters traffic into the barracks has diminished the quality of life by injecting an unacceptable level of noise for the many resident shift workers.

This project will provide a 23,000 square foot addition to Building 9805 to provide space for the SCE local headquarters elements that support the National Security Agency. The proposed space will allow consolidation of the local headquarters of the Army, Navy, Air Force and Marine Corps elements and will return the enlisted barracks space that has been diverted.

WATER STORAGE - OVERSEAS LOCATION - $2,375,000

One of NSA's overseas locations is supplied by one 100 kilo-gallon elevated water storage tank. This water supply is the main supply for mission operations, residential use, and firefighting capability. Current reserves provided by this tank are 6.5 hours for firefighting or 24 hours for normal base operations. Due to the age of the existing system, frequent and costly maintenance is required. Mission expansion, increased family housing, and additional personnel have placed more demands on the already overtaxed water supply. The limitations of the existing water supply are compounded by local water utility actions which sporadically shut off water to the station without notice because of frequent pump failures or operating procedures. This causes the station's 24-hour reserve capacity to be reduced to a 4 to 12 hour reserve by the time local authorities respond to the problem. Diminished water availability seriously jeopardizes the mission capabilities of the station and poses a health and safety risk to personnel.

This project will provide 300 kilo-gallons of elevated and 500 kilo-gallons of ground level water storage required to provide an adequate reserve capacity to meet all station water requirements, including those for fire protection, operations and residential facilities.

STATEMENT OF LT. GEN. CHARLES McCAUSLAND, DIRECTOR, DEFENSE LOGISTICS AGENCY, U.S. AIR FORCE

I am Lieutenant General Charles McCausland, Director of the Defense Logistics Agency (DLA). I am pleased to have the opportunity to provide you information about DLA's programs and our Fiscal Year (FY) 1991 Military Construction and Family Housing requests.

Our Military Construction request is for $89,670,000. It includes 14 major Construction projects costing a total of $76,090,000. Only one of these projects is estimated at less than $1 million. Our request also contains $13,580,000 for 26 conforming storage facilities for hazardous and toxic material to comply with federal regulatory requirements. The projects included in our request are indicative of the Agency's varied missions in supporting the readiness of the Military Services. We are also requesting a Family Housing program of $644,000.

Mr. Chairman, I would like to present our Military Construction request to you in context with the overall mission of our Agency. We are in the business of providing day-to-day support to the Military Services. Consequently, we have a major impact on their state of readiness.

Let me begin by first commenting on the nature and scope of this Agency. DLA was chartered in 1961 to provide worldwide supply support to the Military Services. It was felt that greater economies could be realized in establishing one agency to manage items used by the Military Services. This has been the case. Since that time DLA's mission has expanded, resulting in varied and decentralized worldwide operations. In addition to supply, DLA now provides support to the Military Services in the areas of technical services, reutilization and marketing of excess Department of Defense (DoD) property, and management of the

Defense National Stockpile. And recently, our mission for contract management was expanded due to the Department's consolidation of the Military Services' contract management responsibilities into DLA.

DLA plays a key role in maintaining the readiness of our Armed Forces. We run a large business, and we are trying to do it in a business like fashion. Our workload, which has been increasing by an average of three to four percent per annum in recent years, reflects the demands placed on the Agency by its Military Service customers. In FY 1989, we:

o Managed more than 2.9 million items. This encompassed 60 percent of all national stock-numbered items used by DoD.

o Bought, stored, and issued fuel, food, uniforms and textiles, medical supplies, and more than half of the hardware items used by the Armed Forces. These materiel buys amounted to about $11 billion in annual procurements. Since DLA is the DoD worldwide manager for wholesale bulk petroleum, oil, and lubricants (POL), over $4.5 billion of these procurements were for fuel.

o Maintained an inventory of approximately $10.4 billion.

o Received and shipped over 20.6 million line items from our depots.

o Processed over 29.4 million supply requisitions.

o Administered approximately 422,000 contracts with a face value of nearly $350 billion.

o Paid nearly 2.8 million invoices totaling more than $69.5 billion.

o Obtained over 95 per cent of the discounts called for under the contracts paid.

o Managed the reutilization and sale of surplus property having an acquisition value of over $8.4 billion. This involved the receipt and disposal of more than 6.5 million items.

o Operated the Federal Catalog System, which provides descriptive and technical information on over 5 million items to DoD and other users.

o Maintained a repository of scientific and technical data.

o Managed the National Defense Stockpile which controls an inventory of 93 commodities deemed critical to the defense of our country.

We are at the heart of the DoD Logistics System and play an essential role in readiness. The actions we take at DLA help keep our operating forces combat ready in the field. As the data above indicates, we run a large business. Businesses require a certain amount of investment to keep them efficient and able to respond to new requirements. In addition, with the pressures on the overall budget, we must make investments in our people and facilities that will produce the productivity and improvements we need in the future.

Now that I have told you something about our business, let me discuss how our FY 1991 Military Construction request supports essential DoD programs, responds to concerns about the environment, and contributes to increasing the efficiency of this agency.

As mentioned earlier, DLA receives, maintains, and ships inventory from its depots to support its Military Service customers. In connection with this responsibility, our request includes $55.2 million for depot storage projects which reflect efforts to modernize our facilities and improve working conditions at our depots. We believe efforts of this type result in higher morale and increased productivity leading to improved readiness. These projects will replace deteriorating warehouses and upgrade current facilities. Although the Department is currently studying supply depot use and management across DoD, I can assure you that these projects will be required under any scenario.

Three of these depot projects are for warehouses. The first is at the Defense Depot Mechanicsburg, Pennsylvania. This project provides for the construction of two general purpose warehouses to replace existing warehouses built in 1943. Total cost of this project is $15.1 million. The second warehouse project is at the Defense Depot Columbus, Ohio, providing a bulk storage warehouse at a cost of $13.5 million. This project is necessary to allow for adequate storage and accessibility of inventory. The remaining warehouse is at the Defense Depot Memphis, Tennessee for general purpose supplies. This facility, which will cost $11.9 million, replaces an existing 45 year old wooden structure and will protect inventory currently stored in open sheds.

The remaining five depot projects provide for consolidated maintenance facilities, a bulk receiving facility, a flammable storage facility, and upgrade of existing structures.

Our fiscal year 1991 request also includes $30.6 million to support Defense Reutilization and Marketing activities managed by DLA. Of this amount, $17 million is for Defense Reutilization and Marketing Offices (DRMO) upgrades and $13.6 million is for construction of conforming storage facilities for temporary warehousing of hazardous and toxic materials, such as paints and solvents, to comply with the Resource Conservation and Recovery Act (RCRA).

We are requesting $9.5 million at Ft. Meade, Maryland, to upgrade the facility and provide covered storage. This is the largest project we are planning for the DRMO upgrades in FY 91. The remaining four DRMO upgrades range from $0.5 million to $2.9 million.

Our conforming storage request in the amount of $13.6 million contains 26 projects for various locations inside and outside of the United States. These projects provide conforming temporary storage of hazardous materials and waste awaiting reutilization, sale, or disposal, in compliance with environmental standards under subtitle C of the Resource Conservation and Recovery Act. This program is being presented as a single line item this year. We have a list of specific projects in support of this line item. However, the process of obtaining permits and responding to concerns of the local communities has introduced a degree of uncertainty as to precisely when each project will be ready for construction. The budget request reflects our estimate of the number that we expect will reach that stage. Because of the concern of the local communities, we plan to notify each Congressional representative, in addition to the appropriate committees, in advance of any construction planned in their district. We are prepared to provide, on request, an in-depth briefing on our plans to ensure there are no unresolved community objections.

Our final project is an operational facility effort. This project, located at the Defense Personnel Support Center, Philadelphia, Pennsylvania, is to demolish a warehouse built in 1918 that is structurally unsafe and poses a serious hazard. We will convert the property to employee parking areas. This project will cost $3.9 million.

Our Military Construction budget submission also includes information on Third Party Financing initiative to fund an Operations Center at the Defense Construction Supply Center (DCSC) in Columbus, OH. This project, costing $74 million, will provide new offices for the Inventory Control Point located at DCSC and their tenants replacing four warehouses built in 1918 and 1942. Economic analysis of the current facilities reflect that it is not cost effective to continue repair and maintenance of the existing structures. Maintenance of heating, ventilating, and air conditioning systems exceeds $300,000 annually. Electrical systems can no longer support the ADP equipment and several working areas experience daily power outages and "brown outs." This project has received major attention emphasis in our Agency. To complete this project, we will be soliciting and evaluating bids from contractors and comparing the cost of leasing and construction. At that point, the process dictates that we present the project to the Congress for approval.

We are also requesting a Family Housing Program of $644,000 in obligation authority to continue this program at the current level.

In closing, DLA is a specialized organization concentrating on a few aspects of a complex business to increase effectiveness and efficiency. As a result, we have a history of making significant gains in productivity so that we have been able to accommodate increases in workload without corresponding additions to our workforce. Our FY 1991 Military Construction request is about 4 per cent of our total budget. Our record demonstrates that this investment will be returned to the taxpayers in the form of increased efficiency as well as in the improved readiness of our Armed Forces. I have also added a summary of our request to my statement, including a list of the conforming storage facility projects currently planned for FY 1991.

DEFENSE LOGISTICS AGENCY
MILITARY CONSTRUCTION PROGRAM - FY 1991
INSTALLATION AND PROJECT
BY STATE AND COUNTRY
($ IN THOUSANDS)

STATE/ COUNTRY	INSTALLATION and PROJECT	PROPOSED COST AUTH	PROPOSED COST APPR
INSIDE U.S.			
Alabama			
	Defense Reutilization and Marketing Office, Anniston Army Depot Operations Facility/Open Storage	2,370	2,370
California			
	Defense Depot Tracy Consolidated Maintenance Facility	1,700	1,700
Florida			
	Defense Reutilization and Marketing Office, Eglin AFB Covered Storage	2,850	2,850
Maryland			
	Defense Reutilization and Marketing Office, Ft. Meade Covered Storage	9,500	9,500
Ohio			
	Defense Depot Columbus Bulk Storage Warehouse	13,530	13,530
Pennsylvania			
	Defense Depot Mechanicsburg Two General Purpose Warehouses	15,100	15,100
	Upgrade Industrial Preparedness Equipment (IPE) Building	3,000	3,000
	Defense Personnel Support Center, Philadelphia Demolish Building M5/Parking Area	3,940	3,940

South Carolina			
	Defense Reutilization and Marketing Office, Fort Jackson		
	Open Storage Improvements	500	500
Tennessee			
	Defense Depot Memphis		
	General Purpose Warehouse	11,900	11,900
	Flammable Storage Facility	1,500	1,500
	Bulk Receiving Facility	1,500	1,500
Virginia			
	Defense Depot Richmond		
	Consolidated Maintenance Facility	7,000	7,000
Wyoming			
	Defense Reutilization and Marketing Office, F.E. Warren		
	Covered Storage	1,700	1,700
SUBTOTAL INSIDE U.S.		76,090	76,090
INSIDE AND OUTSIDE U.S.			
Various Locations:			
	CONUS/Overseas		
	Conforming Storage Facilities	13,580	13,580
GRAND TOTAL DEFENSE LOGISTICS AGENCY FY 91		89,670	89,670

FY 91 CONFORMING STORAGE FACILITIES

BEAUFORT, SC
BRUNSWICK, ME
CHAFFEE, AR
CHERRY POINT, NC
CHEYENNE, WY
COLUMBUS, OH
DULUTH, MN
GROTON, CT
LEJEUNE, NC
LEONARD WOOD, MO
MARE ISLAND, CA
MEMPHIS, TN
MOLESWORTH, ENGLAND
NELLIS, NV
NORFOLK, VA
PENSACOLA, FL
POLK, LA
PORT HUENEME, CA
ROME, NY
ROOSEVELT ROADS, PUERTO RICO
SAN ANTONIO, TX
SAWYER, MI
STOCKTON, CA
WHIDSEY, WA
WURTSMITH, MI
YUMA, AZ

STATEMENT OF GEN. JAMES J. LINDSAY, COMMANDER IN CHIEF, U.S. SPECIAL OPERATIONS COMMAND

INTRODUCTION

Mr. Chairman and members of the committee, it is a pleasure to present the United States Special Operations Command's military construction program. The SOF facility need is essential, especially in developing an expanded special operations capability, and also touches the working lives of our 35,000 dedicated SOF personnel who daily make SOF readiness a reality. Your continued support in prior years has helped improve our planned facility program significantly. Our FY 91 military construction submittal continues to place priority on force modernization. We look forward to working with you, because only together can we provide the facilities necessary to support the defense of our nation.

PURPOSE

USSOCOM's military construction (MILCON) program is planned to support our command's priorities of modernization, force structure, readiness, and sustainability. The MILCON program submittal is designed to build a facility architecture that will result in improved readiness of complex weapons systems and offer a diverse training environment that will produce the advanced skills required for special operations. In addition, the program will provide adequate facilities to support new weapons systems and units where no facilities exist, replace substandard operational and training facilities, and alter existing structures to accommodate improved and expanded SOF capability. The MILCON Program is guided by our USSOCOM Master Plan. All of the individual construction requests are tied to a component master construction plan and are brought together at the USSOCOM level to ensure that our command is building the right project, at the right place, at the right time, and for the right price.

The revitalization efforts for Special Operations Forces (SOF) initiated by the Services and further enhanced with the establishment of USSOCOM have expanded the requirements for MILCON in nearly all SOF categories. The MILCON projects outlined in the 1991 budget are essential for the continued revitalization of Special Operations Forces begun in the 1980s and to ensure that we have a fully modernized force for the 21st century.

MILCON PROGRAM

Our MILCON request for FY 91 totals $54.9 million: $52.2 million for major construction, $100,000 for minor construction, and $2.6 million for planning and design. This is a significant reduction from previous years - $99.6 million in FY 89 and $99.3 million in FY 90. While there is a decline of MILCON resources for SOF in FY 91, it does continue construction of high priority projects. Approximately 67% of the major construction supports new mission requirements, and 33% supports current mission requirements. The program includes thirteen major construction projects, of which three are for SOF reserve units.

Our FY 91 program places major emphasis on operations and training as we continue to modernize the force. The ongoing and planned SOF expansion at Hurlburt and Duke Fields, within the Eglin Air Force Base, Florida complex, provides full justification for their fiscal year 91 MILCON submittal. Our Navy component will be provided an increased combat training and boat capability. Our Army component will be provided a maintenance facility, battalion headquarters building, and increased capability at an existing USAR training and maintenance facility.

The MILCON programs for our Service components are as follows:

a. Air Force Special Operations Command - Six projects totaling $14.5 million.

1.	LOCATION	TITLE	$
	Hurlburt Fld, FL	Aerial Delivery Facility	3.5M

Provides a facility for parachute packing and maintenance, rigging of supplies for air drop or extraction, communications equipment maintenance, classrooms, and storage. The present facility is not sized to support the increased mission associated with SOF beddown.

2.	LOCATION	TITLE	$
	Hurlburt Fld, FL	Mobility Center	3.55M

Provides a facility to house the major activities of the base mobility program consisting of mobility work centers, a personnel processing area, passenger handling areas, mobility offices, and areas for controlled storage. The existing facilities are inadequate, scattered all over the base, and do not possess proper security.

3.	LOCATION	TITLE	$
	Hurlburt Fld, FL	Physical Fitness Center	3.20M

Constructs a physical fitness center to serve a greatly increased base population. Hurlburt Field (Eglin Auxiliary Field No 9) has experienced a 45% increase in military personnel assigned in support of new SOF missions. These personnel must maintain a high degree of physical fitness to perform their duty. The existing physical fitness facility is too small to support the increased number of personnel assigned to the base.

4.	LOCATION	TITLE	$
	Hurlburt Fld, FL	Improve Base Roads	1.5M

Provides an improved base road network to support increased traffic flow resulting from SOF expansion at Eglin Auxiliary Field No 9. The base population has increased by 1800 people, and assigned government vehicles have increased by 65 percent. Current road networks are inadequate and provide poor access to critical mission facilities and aircraft.

5.	LOCATION	TITLE	$
	Eglin AFB, FL (Aux Fld 3)	Avionics Shop	2.2M

Constructs a 15,500 sq. ft. Avionics Maintenance Shop to train reserve maintenance specialists and maintain the avionics systems for ten AC-130H aircraft. The existing avionics function is separated in two different facilities and is marginally adequate to support the existing mission.

6.	LOCATION	TITLE	$
	Eglin AFB, FL (Aux Fld 3)	Add/Alter Maintenance Shops	0.547M

Constructs facilities of adequate size and configuration to train aircraft maintenance personnel and maintain EW/ECM equipment for ten AC130-H aircraft. Existing facilities are adequate for support of AC130-A aircraft, but they are not adequate to support the additional EW/ECM capability of the AC130-H aircraft.

b. Navy Special Operations Command - Four projects totaling $30.2 million.

1.	LOCATION	TITLE	$
	Coronado, CA	Maritime Training Facility	4.9M

Constructs a maritime training facility at San Clemente Island consisting of one two-story training and storage building, one single-story vehicle maintenance building, a vehicle garage, and a magazine. No suitable facilities exist at San Clemente Island and the limited facilities at Coronado are inadequate.

2.	LOCATION	TITLE	$
	Coronado, CA	Desert Operations Facility	7.68M

Provides a desert training and berthing facility for 120 personnel at Niland, California consisting of a three-story building and two helipads. The present training camp is no longer adequate in size to support the number of platoons assigned, and the existing camp does not conform with local land use regulations.

3.	LOCATION	TITLE	$
	Coronado, CA	Waterfront Maintenance and Operations Facility	8.44M

Provides waterfront operational, maintenance, and administrative facilities to support SEAL operations consisting of one two-story building and one single-story building. The existing facilities were built in 1944 and are inadequate to support the current mission.

4.	LOCATION	TITLE	$
	Little Creek, VA	Operations and Maintenance Facility	9.16M

Constructs boat storage facility, training facilities, helicopter enclosure, and operations and maintenance facilities for Fleet Combat Training Center consisting of five one-story and two two-story buildings and alterations to three buildings. The existing facilities provide minimal boat storage and repair facilities, vehicle maintenance is performed in makeshift facilities, and no helicopter enclosures are available.

c. Army Special Operations Command - Three projects totaling $7.5 million.

1.	LOCATION	TITLE	$
	Ft. Stewart, GA	SOF Headquarters	1.9M

Constructs a standard-design battalion command and control facility with two classrooms, arms room, and intrusion detection system. The unit is presently dispersed in 14 temporary WWII buildings which provide inadequate command, control, and support space.

2.	LOCATION	TITLE	$
	Ft. Stewart, GA	Tactical Equipment Shop	3.0M

Provides a standard-design tactical equipment shop with deployment equipment storage building, fuel and oil storage facilities, sentry building, and parking areas for organizational vehicles. The existing maintenance shops are fully utilized by

other units at Ft. Stewart. This results in SOF units having to use temporary facilities to perform maintenance and repair.

3.	**LOCATION**	**TITLE**	**$**
	USAR Center, Norristown, PA	**Add/Alt USARC**	**2.598M**

Provides for an addition to and alteration of an existing reserve center with maintenance facilities. The project will support a civil affairs brigade, a civil affairs company, and a quartermaster detachment with administrative, training, and maintenance space. The existing facility was built in 1956, and it is inadequate for the units that are presently occupying the building.

SUMMARY

Our Fiscal Year 1991 MILCON Program for facility investments will continue the revitalization of Special Operations Forces initiated by the Services and significantly improve the ability of USSOCOM to accomplish its assigned missions. Approval of this program is, therefore, essential to ensure the long term development of USSOCOM.

We appreciate this opportunity to present our USSOCOM military construction budget request. Your support of Special Operations Command's military construction program has made a substantial contribution to the preparedness of our forces.

STATEMENT OF GORDON K. DOWERY, DIRECTOR, DEFENSE MEDICAL FACILITIES OFFICE

Thank you for the opportunity to present the Department of Defense medical military construction program for Fiscal Year 1991.

This budget requests appropriations of $295.5 million for 27 medical construction projects in Fiscal Year 1991.

The medical military construction budget is prepared after considering many factors including force structure, alternative health care possibilities, age and condition of existing facilities, urgency of need, fiscal constraints, executability of the project, and prioritization category.

The prioritization categories are used to align facility construction requirements within resources available. The categories represented by our FY 91 request are, in descending priority order, projects for readiness; overseas locations; multi purpose training centers; CONUS operational bases, CONUS training bases and then all other facilities.

We have deferred most of our required projects in overseas locations due to the uncertainty of the outcome of ongoing negotiations and Conventional Forces, Europe, discussions. We will include these projects in future programs as our presence and force structure are delineated.

Historically, construction or replacement of facilities to support contingency operations has been one of the Department's highest priorities. $11.5 million of our request is for projects to preposition medical readiness assets. We request no projects to support new operational missions.

This year's request includes $62.2 million, or 21% to correct serious deficiencies in medical facilities located outside of the Continental United States, where satisfactory alternative sources of health care are not available for U.S. military personnel and their families. Among a total of eight such projects, the largest is replacement of the U.S. Army Hospital at Vicenza, Italy, at a cost of $28 million. This project is the number one construction priority of the Commander in Chief, U.S. Forces in Europe, and is not affected by force reductions. The completed facility will provide inpatient and outpatient support services for troops stationed in northern Italy, Turkey and Greece.

Our FY 91 request of $123.2 million in support of physician graduate medical education (GME) training programs seeks $77 million for the fourth phase of the aged Brooke Army Medical Center at Fort Sam Houston, Texas. We are also requesting $40 million for the urgently needed replacement of the Naval Hospital at Portsmouth, Virginia.

Projects which we categorize as supporting medical education represent 42 percent of the total budget request. These facilities are important to the recruitment and retention of military physicians as well as to maintaining the readiness of our forces. It is at these facilities that the military doctor learns and practices "military medicine."

This budget requests $63.9 million for projects to correct serious deficiencies at medical and dental facilities which support military personnel at locations with operational missions within the Continental United States. In most cases, these deficiencies pose a threat to safety and to accreditation by the Joint Commission on Accreditation of Healthcare Organizations. The largest of the four projects is $56 million for DoD's share of a medical facility at Nellis Air Force Base in Las Vegas, Nevada, which the Department of Defense and the Department of Veterans Affairs will jointly operate and fund.

The FY 1991 budget requests $22.6 million for projects to correct serious deficiencies at medical and dental facilities at locations with predominantely training missions. This includes $10.4 million for the final phase of a 157-bed hospital at Fort Sill, Oklahoma.

This ends my discussion of specific projects in the FY 1991 medical military construction program. I would now like to address several issues of interest to this committee.

Fleet Hospital Program

The Navy has revised the implementation of its program to preposition fleet hospitals for contingencies. Faced with significant fiscal constraints and a dynamic world environment, the Navy has decided not to attempt to purchase additional fleet hospitals. Instead, they have chosen to concentrate on finding adequate storage for fleet hospitals already procured. NATO has been very supportive in supplying host nation funding for these facilities. The project at RAF Lanark in the United Kingdom is programmed to receive $12,400,000 of NATO funding for the storage portion of the requirement under current NATO criteria. The United States' share is $3,900,000 which covers construction needed to create an operational capability at this location.

Base Realignment and Closure

Medical facilities impacted by the Base Realignment and Closure actions approved in 1989 will close according to schedule. These include six hospitals, 4 medical clinics, 6 dental clinics and 1 hospital which will be reduced to semi-active status.

In January, 1990, the Secretary of Defense issued a new list of facilities to be studied for closure. We are now in the process of analyzing the effect on our construction program and identifying required changes.

Department of Defense/Department of Veterans Affairs Joint Ventures in Medical Construction

The Department of Defense (DoD) and the Department of Veterans Affairs (DVA) continue to work closely to develop joint ventures in medical construction. Six construction sharing agreements are now underway, in: Albuquerque, New Mexico; Las Vegas, Nevada; Anchorage, Alaska; East Central Florida; Tucson, Arizona; and Philadelphia, Pennsylvania. These projects show potential for cost avoidance by not only saving the DoD and the DVA construction costs, but also by sharing services.

I thank you for the opportunity to present the FY 91 medical milcon program to you. I will gladly answer any questions that you might have.

Attachment

Fiscal Year 1991 Military Construction Program

Priority	FY 1991 Request	%of Total
1. Medical Contingency	$ 11,500,000	4%
Cheatham Annex, VA	6,500,000	
RAF Lanark, U.K.	3,900,000	
Aviano AB, Italy	1,100,000	
	$ 11,500,000	
2. Overseas	$ 62,220,000	21%
Rhein Main, Germany	870,000	
Camp Casey, Korea	1,000,000	
Kunsan AB, Korea	14,400,000	
Giessen, Germany	5,000,000	
Nuernberg, Germany	5,800,000	
Vicenza, Italy	28,000,000	
Edzell, U.K.	5,400,000	
Sinop, Turkey	1,750,000	
	$ 62,220,000	
3. Underserved	-0-	-0-
4. Medical Education	$ 123,250,000	42%
Brooke Army	77,000,000	
Wilford Hall	2,250,000	
Walter Reed	4,000,000	
Portsmouth Navy	40,000,000	
	$ 123,250,000	

Priority	FY 1991 Request	% of Total
5. Operational	$ 63,850,000	22%
Camp Pendleton, CA	1,750,000	
MacDill AFB, Fla.	2,900,000	
Camp Lejeune, N.C.	3,200,000	
Nellis AFB, Nevada	56,000,000	
	$ 63,850,000	
6. Training	$ 22,600,000	7%
Quantico, Va	2,450,000	
Ft. Benning, GA	2,000,000	
Ft. Riley, KS	1,050,000	
Dam Neck, VA	4,050,000	
Ft. Lee, VA	2,650,000	
Ft. Sill, OK	10,400,000	
	$ 22,600,000	
7. Other	$ 12,100,000	4%
Altus AFB, OK	500,000	
Naval Shipyard, Philadelphia, PA.	11,600,000	
	$ 12,100,000	
TOTAL FY 1991 Request	$ 295,520,000	

STATEMENT OF D.O. COOKE, DIRECTOR, ADMINISTRATION AND MANAGEMENT, OFFICE OF THE SECRETARY OF DEFENSE

Mr. Chairman, members of the Subcommittee, I am pleased to appear before you today and discuss the status of the plans for the renovation of the Pentagon.

As you know, the Administration, as part of last years Defense Authorization Act, requested legislation that would transfer the Pentagon to the Department of Defense. This request was deferred, without prejudice, pending the development of a detailed plan for the complete renovation of the Pentagon. The Conference Report also stated that unless the Armed Services Committees of the Senate and the House of Representatives are satisfied with the progress along this route by April 15, 1990, the transfer of the Pentagon Reservation to DOD control will be addressed in the defense authorization bill for fiscal year 1991.

The plan required by the Conference Report was submitted on March 15, 1990 to the Committees on Armed Services of the United States Senate and House of Representatives. The cover letter submitting the plan by the Acting Administrator of General Services, which I co-signed, stated in part ... "It is the position of the Administration that the Pentagon reservation be transferred to DOD." As an additional note, on February 28, 1990, before the Public Works Committee of the House of Representatives, Subcommittee on Buildings and Grounds, the Acting Administrator of General Services testified to this effect.

As for the renovation, DOD has considerable momentum and we will move forward with the design effort (through the Corps of Engineers, the designated design and construction agent) as outlined below:

Pentagon Renovation

A Concept plan for the renovation has been completed and this plan forms the basis for more detailed studies and analyses.

An Architect/Engineer (A/E) has been selected for developmental design (major building systems prototypical design, block heating and air-conditioning loads, prototypical design of office and special areas, establishment of standards and criteria, more detailed swing space analysis, refinement of construction phasing and concept plan, feasibility and design development of the logistics support extension).

This same A/E firm will also serve as the managing A/E for the life of the renovation to ensure uniformity of the design efforts of other A/E firms and to provide continuity throughout the renovation process.

In-house refinement of the recommended concept plan is underway. This refinement will change the funding profile approved in the last 5 year Defense plan. The adjusted renovation plan will be submitted for the next 5 year Defense plan (FY 92 - FY 97).

Our most current thinking on the renovation (not yet reflected in DOD budget plans) is to:

- Construct a logistics support extension out from the Mall Terrace and depressed below the elevation of Washington Boulevard. This extension could be as much as 450,000 square feet depending on engineering studies of ground water and other constraints. This proposed extension would house light industrial functions (Defense Printing, shops, Post Office, loading docks and the like) and will greatly improve the security and environmental conditions of the Pentagon.

- The vacated space in the Pentagon would be used for swing space in order to clear a wedge of the building for renovation. The use of the vacated space in the Pentagon would significantly decrease the need to lease swing space.

- The renovation would then proceed around the building a wedge at a time. The construction duration for the renovation is estimated at eight years with the overall total project duration estimated at eleven years from now.

Heating and Refrigeration Plant

A Design Development study has been completed, a third party study has been completed, and a cogeneration study has been completed. Based on these studies, a new plant constructed by the Government is recommended as the best solution.

A separate A/E firm has been selected to design the new plant; the design contract is under negotiation and an award could be made shortly. The FY 90 budget includes $4 million for design and the construction funding is planned for FY 92 at $63 million.

FY 1991 Budget Request

The FY 1991 Budget includes a request for $10,000,000 in planning and design funds for the renovation of the Pentagon.

Initial, order of magnitude preliminary estimates show that the cost of operating, maintaining and protecting the Pentagon Reservation along with the cost of a new Heating Plant and the renovation of the Pentagon would be covered by the amount that DOD would have paid to GSA in about 14 years. This means that although the renovation would require MILCON funding during the construction period, the actual cost to DOD will not be greater than what would have been paid to GSA over the period, regardless of whether or not that agency performed any renovation. Another way of looking at it is that although we will request funds in a different pattern and for different accounts, the end result will be a total appropriation equal to what would have been appropriated had the building remained with GSA.

Mr. Chairman, I know everyone here may have heard about the deplorable conditions of the Pentagon (with some of us experiencing them on a daily basis), but I want to describe briefly for the record the problems of the building.

Conditions at the Pentagon

Even though the Department paid GSA overall approximately $250 million more than the basic cost of operating, maintaining and protecting the building, GSA did not commit additional funds for appropriate maintenance or renovation. As a consequence, the 48 year old building has suffered from decades of neglect and poor maintenance.

Many building systems have deteriorated beyond the point of economical repair and will require total replacement. None of the major building support systems have ever been replaced or significantly upgraded. The electrical, heating, ventilating and air-conditioning and plumbing systems need to be replaced to ensure services are provided to the building, to bring the systems up to modern standards, and to provide for increasing loads. Exterior repairs and window replacement will also be required.

- Heating, ventilation and air-conditioning system has inadequate capacity, is inflexible (has no interior zoning) and major components are badly rusted and corroded.

- Electrical distribution system is outdated, wire closets and panels are overloaded.

- There is no cable management system (communications and personal computers).

- ° Exterior finish surfaces are in poor condition; steel casement windows won't close, leak air and water.

- ° Basement on-grade floor slabs have deflected up to 12" out of level.

- ° Primary office areas cannot be subdivided due to lack of interior air-conditioning zone resulting in inefficient spatial arrangements.

- ° Hazardous asbestos materials exist in ceilings and at heating and air-conditioning equipment.

Conditions at the Heating and Refrigeration Plant

The heating and refrigeration plant is operational only because of the use of rented equipment.

- ° All four original coal boilers are inoperable.

- ° Currently operating with one built-in oil-fired boiler and three rented oil-fired package boilers (rental is about $1 million per year).

- ° One of seven chillers is beyond repair, one attains half its rated capacity and the remaining five are so unreliable that seven 1,000 ton rented chillers are in use (rent is about $1.2 million per year).

Recognizing that there would probably be difficulties in securing the funds for the renovation of the building through the Federal Buildings Fund, the Administrator of General Services on June 12, 1987 delegated to the Secretary of Defense the authority to procure design services for the renovation.

This concludes my statement and I would be happy to answer any question you or the members of the Subcommittee may have.

STATEMENT OF MILLICENT W. WOODS, DEPUTY ASSISTANT SECRETARY OF DEFENSE (FAMILY SUPPORT, EDUCATION, AND SAFETY)

I am Millicent Woods, Deputy Assistant Secretary of Defense for Family Support, Education and Safety.

I am pleased to have the opportunity to appear before you today to present the FY 1991 Military Construction (MILCON) program for the Department of Defense Dependents Education Program. The total request is $75.4 million. It consists of $60.2 million for nine additions and $15.2 million for kitchen/multipurpose room additions at 24 schools. The nine additions will eliminate existing facilities deficiencies and improve the delivery of educational services. The 24 kitchen/multipurpose rooms will enable these schools to provide an adequate, nutritionally balanced hot lunch program to our students.

In the rapidly changing environment that we face today, it is critical that we minimize expenditures for construction of facilities that could become unneeded because of a revised force structure. When we look at DoDDS facilities requirements around the world, several potential MILCON projects are already deferred due to political uncertainty in some countries. For example, no MILCON projects are planned for Panama since the U.S. presence is scheduled to end by the year 2000. Projects in Korea are deferred because of impending troop drawdowns; projects in the Philippines are deferred due to uncertainty over the base rights treaties. In Japan, some of our facility requirements are provided by the host nation. Virtually all DoDDS construction requirements since 1985 have been funded under the auspices of the Japanese Facilities Improvement Program. Thus, the FY 1991 program is focused on requirements in the European Command (EUCOM) area.

The needs in Europe stem from 1) years of making do with temporary, converted facilities and 2) sustained enrollment growth during the 1980s, particularly in Germany. DoDDS enrollment in Germany has sustained an increase of 4 percent over the last year (FY89). This unexpected increase has exacerbated overcrowded conditions at several schools. This increase has been greatest in kindergarten through third grade and may be partially attributed to composition of the military family, i.e., more military Service Members with school age children.

As in past years, the FY91 MILCON program reflects a thorough prioritization of facility requirements by DoDDS, the Military Service components, and EUCOM. The primary consideration in developing the FY 1991 program was to submit projects only at locations in Europe that are expected to remain after the proposed Conventional Forces in Europe (CFE) troop withdrawals. Accordingly, the priorities reflected in this submission have been personally reviewed by CINCUSAREUR and CINCEUCOM.

Currently, at many locations within DoDDS, only cold box lunches or snacks are provided for lunch because no facilities exist to prepare or serve a hot lunch. In 1989 DoDDS surveyed the parents of DoDDS students to identify their major concerns regarding the quality of the DoDDS educational program. The survey results were published as the DoDDS "Report Card", which identified the inadequacy of the lunch program as a major problem area. Eight kitchen/multipurpose room projects totalling $6.6 million were approved for FY 1990. The FY 1991 budget submission requests $15.2 million for additional kitchen/multipurpose rooms at 23 schools in Germany and 1 at Rota, Spain. Most stateside school systems provide an adequate hot lunch program; these projects are needed to provide a comparable program for DoDDS students.

If we are to retain the best quality people as we reduce the size of the force structure, it is more critical than ever to adequately support the quality of life programs. In spite of the drawdown, residual forces will continue to be stationed in Europe and the dependent children of these military members should not be forced to suffer educational deprivation. Thus, it is incumbent upon us to provide adequate school facilities comparable to those found in stateside school systems. Your support of these needed school construction projects will result in the provision of adequate school facilities, which will be capable of providing the space required to maintain accrediation, improve curricular offerings and to alleviate overcrowded conditions, which have resulted in the use of substandard facilities. I know the Congress and the American taxpayer share the Department's commitment to providing adequate minimum educational standard for the children of our military Service Members as long as we remain deployed overseas.

Finally, let me emphasize that we are continuously reviewing the requirements in this budget request and, should any of these projects become unnecessary, they will be identified at the appropriate time. We have done so in the past and will continue to in the future. For example, at the time of the FY 1990 appropriations conference committee, DoDDS requested deferral of the Augsburg High School addition totalling $6.3 million because it was not longer needed due to future military stationing considerations. Also, the FY 1990 appropriations conference committee report requires that no funds may be obligated for any FY 1990 projects in the United Kingdom and Germany until the Department certifies that the need will be compatible with future stationing. I expect that this certification will be provided in the next few months as decisions regarding future stationing are made.

STATEMENT OF ROBERT SNYDER, DEPUTY FOR PROGRAM OPERATIONS, STRATEGIC DEFENSE INITIATIVE ORGANIZATION

THANK YOU, MR. CHAIRMAN, FOR THE OPPORTUNITY TO APPEAR BEFORE YOUR COMMITTEE. I AM MR. ROBERT SNYDER, OF THE STRATEGIC DEFENSE INITIATIVE ORGANIZATION. MY POSITION IS THE DEPUTY FOR PROGRAM OPERATIONS AND I REPRESENT LIEUTENANT GENERAL GEORGE L. MONAHAN, JR., OUR DIRECTOR.

I AM PREPARED TO MAKE AN OPENING STATEMENT AND TO ANSWER YOUR QUESTIONS ON THE FISCAL YEAR 1991 AMENDED BUDGET REQUEST FOR MILITARY CONSTRUCTION FUNDING FOR THE STRATEGIC DEFENSE INITIATIVE ORGANIZATION.

THIS REQUEST IS FOR AUTHORIZATION AND APPROPRIATION OF $3.87 MILLION FOR CONSTRUCTION OF A LAUNCH FACILITY AND MISSION CONTROL CENTER AT BARKING SANDS, HAWAII; $ 1. 5 MILLION FOR MINOR CONSTRUCTION PROJECTS ; AND $ 6 MILLION FOR PLANNING AND DESIGN EFFORTS.

THE LAUNCH FACILITY AT THE PACIFIC MISSILE TEST RANGE, BARKING SANDS, HAWAII, SUPPORTS THE EXOATMOSPHERIC DISCRIMINATION EXPERIMENT PROGRAM. THIS PROGRAM INCLUDES A SERIES OF EXPERIMENTS INVOLVING AN ARIES SOUNDING ROCKET WHICH WILL LAUNCH A LONG WAVELENGTH INFRARED SENSOR INTO THE EXOATMOSPHERE TO OBSERVE RE-ENTRY VEHICLES DURING THE MID-COURSE OF THEIR BALLISTIC TRAJECTORY FROM VANDENBURG AIR FORCE BASE IN CALIFORNIA TO THE KWAJALEIN ATOLL. THIS LAUNCH COMPLEX IS REQUIRED AT BARKING SANDS, HAWAII, TO LAUNCH THE SENSOR PAYLOAD. THE SENSOR RECORDS AND RETRANSMITS THE DATA TO THE DISCRIMINATION SYSTEM ON KWAJALEIN. THIS DATA WILL ESTABLISH THE LONG WAVELENGTH INFRARED MID-COURSE DATA BASE REQUIRED FOR THE DESIGN OF GROUND AND SPACE

BASED MID-COURSE SENSORS, AND FOR THE DEVELOPMENT AND TESTING OF DISCRIMINATION TECHNOLOGY.

THE $1.5 MILLION REQUESTED OR UNSPECIFIED MINOR CONSTRUCTION ARE FOR PROJECTS WHICH ARE UNDEFINED AT THIS TIME. OUR EXPERIENCE HAS BEEN THAT REQUIREMENTS OF THIS NATURE AND MAGNITUDE ARISE EACH FISCAL YEAR.

THE $6 MILLION DESIGN REQUEST IS TO ACCOMMODATE PLANNING WORK ASSOCIATED WITH FACILITY REQUIREMENTS IN THE YEARS TO COME. AS STRATEGIC DEFENSE INITIATIVE RESEARCH ADVANCES INTO LARGER ENTITIES AND MORE INTERCONNECTED PARTS, FACILITY REQUIREMENTS ARE PROGRAMMED TO GROW. THESE FUNDS ARE NEEDED TO SUPPORT DESIGN EFFORTS FOR MAJOR FACILITIES SUCH AS THE BOOST SURVEILLANCE AND TRACKING SYSTEM, THE GROUND SURVEILLANCE AND TRACKING SYSTEM, AND THE HYPERVELOCITY GUN PROGRAM.

IN SUMMARY, THE PROJECT PROPOSED FOR FY 1991 AT BARKING SANDS, HAWAII, AND THE MINOR CONSTRUCTION AND PLANNING FUNDS ARE KEY ELEMENTS IN CONTINUING THE SEARCH FOR ADVANCED DEFENSIVE TECHNOLOGIES AIMED AT FINDING WAS TO PROVIDE NATIONAL SECURITY THROUGH ADVANCED STRATEGIC DEFENSIVE SYSTEMS.

THANK YOU MR. CHAIRMAN. I WILL BE HAPPY TO ANSWER ANY QUESTIONS.

STATEMENT OF JOHN EDDY, ASSISTANT DIRECTOR FOR LOGISTICS AND ENGINEERING, COMMAND SERVICES DIRECTORATE, DEFENSE NUCLEAR AGENCY

I am John Eddy, Assistant Director for Logistics and Engineering, Command Services Directorate, Defense Nuclear Agency. It is a privilege to testify on behalf of the Defense

Nuclear Agency's fiscal year 1991 military construction request. The Defense Nuclear Agency is requesting authorization of $73.395 million for fiscal year 1991. Our request is for the construction of three projects. One of the projects will be located on White Sands Missile Range in New Mexico. Two of the projects will be located on Johnston Atoll, which is in the Pacific Ocean, approximately 700 miles southwest of Hawaii.

LARGE BLAST/THERMAL SIMULATOR:

Our first FY 1991 project, in the amount of $64.800 million, will provide a Large Blast/Thermal Simulator facility to be constructed on White Sands Missile Range, New Mexico. This tri-Service test facility will be capable of simulating the thermal and blast effects of various yields of nuclear weapons. There are currently over 200 DoD systems with established nuclear survivability criteria which present capabilities cannot adequately test. This facility will provide the means for survivability testing of these and future systems against nuclear blast and thermal effects.

JOHNSTON ATOLL PROJECTS:

The Army has stored chemical munitions on Johnston Atoll since 1971. In 1985, the Army initiated construction of a Chemical Munition Demilitarization Plant commonly referred to as JACADS (Johnston Atoll Chemical Agency Disposal System). This program has tripled the Atoll population from 1983 to the present as well as increased the island's maintenance support requirements and quality of life requirements.

Two projects in our FY 1991 request are vital to the operation of this remote base:

The first project, in the amount of $4.450 million, will provide a Consolidated Maintenance Facility on Johnston Atoll. This facility will replace existing metal shed type structures (constructed in 1955) used for base operations and maintenance. Materials are now being stored outside due to the deteriorated condition of the existing facilities. This facility is needed to permit repair and maintenance of the Atoll's buildings, utilities, and operational facilities.

The second project, in the amount of $4.145 million, will provide a Community Support Complex for Johnston Atoll. This facility will upgrade and centralize many of the shops and services to one location convenient to all Atoll personnel and provide a wider range of services to all personnel in this isolated, remote, location.

In summary, the requested projects are urgently needed for continued support of the critically important Army JACADS mission and maintenance of Johnston Atoll in order to comply with OSD and Congressional mandates.

CONCLUSION:

I appreciate this opportunity to present the Defense Nuclear Agency's fiscal year 1991 Military Construction request. I will be pleased to respond to any questions.

STATEMENT OF GEORGE J. HOFFMAN, COMPTROLLER, DEFENSE COMMUNICATIONS AGENCY

Mr. Chairman and members of the Subcommittee, I am Mr. George J. Hoffman, Comptroller for DCA. I appreciate this opportunity to present to you the Defense Communications Agency (DCA) Fiscal Year 1991 Military Construction (MILCON) budget request. Our current request is for a total of $4.2 million in FY 1991. The Agency's FY 1991 proposed MILCON budget continues modernization of our worldwide Defense Communications System (DCS) operations and improves the aging physical plant at the DCA Headquarters compound. I will now discuss our proposed facility improvements.

FISCAL YEAR 1991 MILCON PROGRAM

Our FY 1991 request for $4.2 million is comprised of two projects -- $1.5 million to modify and upgrade the DCA Pacific Headquarters Building to include the Area Communications Operations Center (ACOC), at Wheeler AFB, HI and $2.7 million to replace the warehouse storage facility at the DCA HQs compound in Arlington, VA.

DCA-PAC Area Communications Operations Center Expansion

We are requesting $1.5 million to reconfigure and upgrade the existing Area Communications Operations Center (ACOC) spaces and to provide air conditioning to other office spaces located in our DCA Pacific Area Facility at Wheeler AFB. This project is required to meet space, security and power requirements associated with the evolving DCS and reflects the Agency's ongoing efforts to engineer, operate and maintain joint DCS information systems that permit the National Command Authorities, CINCs and operational commands to employ forces consistent with national policy. In this light, our communications operations centers need to be responsive not only to the Agency's needs, but to those of our customers as well.

In recent years, the DCA-Pacific ACOC facility has been unable to keep pace with the implementation of new communications systems that are necessary to monitor, control and restore vital DCS circuits and systems throughout the Pacific region. Existing space does not allow for optimum operational configuration nor for dual operation of existing and replacement systems during periods of transition when parts of the new and old system must remain operational in a parallel configuration. In addition, because of severe space limitations, the Agency is unable to install additional workstations, display or communications equipment associated with new DCS systems such as the Integrated DCS System Control program.

The proposed project includes the reconfiguration of space, installation of raised flooring and drop ceilings, modification of air conditioning, fire protection, and red/black power systems. Air conditioning of the third floor of the building will include suspended ceiling, insulation, and lighting. Design efforts are underway, and we expect to achieve design completion by August 1990.

DCA-HQs Replacement of Warehouse

We are also requesting $2.7 million in FY 1991 to construct a new 18,000 square foot high-bay steel framed masonry warehouse facility with a mezzanine level. This project is required to replace the 44-year old temporary metal quonset huts which are currently being used to provide on-site storage facilities for expendable and non-expendable office supplies, capital property, and communications and electronics (C-E) equipment. The facility is also used as a staging area for receipt, turn-in and processing of materiel. Irreparable corrosion of the quonset huts' exterior membrane has resulted in water leaks during inclement weather causing damage to warehouse contents as well as further structural damage. In addition, the existing facility can not provide even minimal climate control - temperature/humidity. The current heating system is antiquated, and there is no air conditioning system, thus subjecting sensitive C-E equipment to internal systems damage caused by prolonged exposure to extreme temperatures and excessive relative humidity levels.

The proposed warehouse replacement project includes required site preparation work and construction will include installation of electric, water, heating, ventilation and air conditioning (HVAC), sewer, fire detection/alarm, and sprinkler systems. The proposed warehouse storage facility will be environmentally controlled, in part, and will provide limited office space areas for warehouse staff. The project has been included in the Master Plan for the Arlington Service Center by the Naval Facilities Engineering Command, Chesapeake Division (CHESDIV). Design work is underway, and we expect to attain design completion by September 1990.

Finally, we wish to emphasize that although we are exploring the possibility of a partial consolidation of office space in the Washington, D.C. area, this proposed warehouse is essential because it would be the only storage facility available to serve the Agency's offices in the metropolitan area.

Mr. Chairman, this concludes my prepared statement. I will be happy to answer any questions you or other members of the Subcommittee may have at this time. Thank you.

STATEMENT OF MAJ. GEN. EVAN L. HULTMAN, AUS (RET.), EXECUTIVE DIRECTOR, RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES

On behalf of our more than 115,000 members from each of the uniformed services, I appreciate the opportunity to address this subcommittee to present the Reserve Officers Association's concerns relating to military construction authorization for the Reserve Components for Fiscal Year 1991.

The Reserve Officers Association expresses its gratitude to this subcommittee for its continuing support of the Guard and Reserve. Without its generous consideration, the readiness of the Reserve Components would not be as high as it is today.

The Congress has repeatedly instructed the Department of Defense to designate a greater percentage of the total military construction request for Guard and Reserve facilities. Under pressure to make budget reductions, the DoD has reduced its military construction request for the Reserve Components to amounts well below the established goal. The add-ons provided by the Congress have been responsible for many desperately needed facility improvements.

The nation has just experienced a decade in which our defense capabilities have been strengthened after a time in which we saw a "hollowing" of our defense forces. The size and capability of our nation's Reserve Forces have increased dramatically since the 1970s. Our total military manpower expanded by 17 percent, due principally to a 36 percent increase in reserve force personnel.

The past decade has seen a significant shift of missions and force structure from the active to the reserve components, in large measure to take advantage of the ability of Reservists to perform most missions at a greatly reduced cost.

Fiscal year 1991 may well prove to be a watershed year for our nation's defense. After a decade of growth, our defense forces will probably experience a significant reduction--preferably, a logical "build-down". Having been driven by a Soviet/Warsaw Pact threat for nearly a half century, the cold war is thawing. Change in Eastern Europe and the Soviet Union demand that the nation reevaluate the military threat and respond accordingly.

Much has been written about the changes that are ongoing in the world. The Soviet block, like Humpty-Dumpty, is falling, and the chances are that neither the "king's men" nor Soviet hardliners will be able to put it back together again. The probability of a major East-West military confrontation has greatly diminished.

While progress in East-West relations is encouraging, the world has become less stable, more volatile as old pacts, old walls and old inhibitions come down. The Soviet sphere of influence is fragmenting and national and ethnic differences are being accentuated. National governments and economies will be hard pressed to meet rising political and economic expectations. The Soviet Union is modernizing, not dismantling, its formidable offensive military capability. A militarily strong America is necessary to provide stability in an otherwise unstable world.

Given the diminished Soviet threat, resulting longer warning times expected, and defense budget constraints, some members of the House and Senate have called for the shifting of missions and force structure from the active to the Reserve Components. Questioned at an Armed Services Committee hearing, Secretary of Defense Richard Cheney stated that the Reserve Forces had increased as a result of the Eastern European threat and that, as a result of the lessening of that threat, the Reserve Components would now have to be reduced. While some argue that forces needed to respond to this changing military threat are best kept in an active component, given the budget realities and the cost-effectiveness of Reserve Components, enhancement of the Reserve Forces must be considered a realistic alternative.

Concerned last year by budget pressures and anticipating some change in the world scene, ROA called for a comprehensive analysis of the evolving threat, the military force structure to counter the threat, and the most cost-effective mix of active and reserve units in the resulting military force. The association applauds congressional actions which directed DoD to undertake a Total Force Study and also called for no budget driven reductions of Reserve forces in FY91 while awaiting the completion of the study. ROA believes that the Total Force Study must include, not only an evaluation of the Department of Defense Total Force Policy, but also future force structure requirements, and the most cost effective mix of active and Reserve forces, needed to counter military threats to national security as indicated in a new net threat assessment by the Joint Chiefs of Staff. Such a study is crucial to the future of the Total Force and we caution against making irreversible and damaging reductions in the interim, such as the proposal to close Naval Reserve facilities at South Weymouth, MA and Detroit, MI by the end of this fiscal year.

It is important to ROA that it not be perceived as opposing all reductions of Reserve Forces. The association is not oblivious to the pressures to reduce defense spending, both as a result of budget constraints and a perceived lessening of the threat, and understands the wisdom of certain reductions. For example, ROA does not advocate keeping support units in the Reserve Components after the force structure being supported has been eliminated. The association also recognizes that there are missions that can be better performed by the active than by the Reserve Components. Changes, including reductions, should be made wisely--after a comprehensive analysis.

Were it not for the unacceptable military construction backlog that has been allowed to grow in our Reserve forces and the fact that low percentages of on-hand Facilities Requirements--notably in the Army Reserve--are negatively impacting readiness, the association might oppose increased spending for Guard and Reserve military construction, pending the completion of the Total Force Study. Given past neglect and the identified requirements needed to support existing commitments, our Reserve components lack the luxury of further delay.

The emphasis in recent years has necessarily been on new facilities to accommodate new and expanded missions. Meanwhile, inadequate facilities have continued to deteriorate. The backlog of construction projects in support of ongoing missions has grown disproportionately. Unless the backlog of deferred military construction projects is attacked aggressively, the reserve components will be unable to meet their total force commitments.

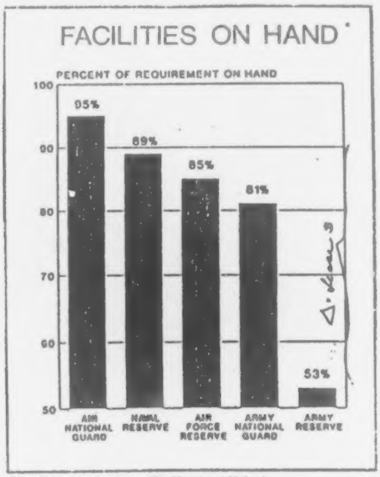
The meeting of commitments is what military construction is all about. Reservists cannot perform, they cannot train and operate, without facilities. In completing the comprehensive Total Force analysis, mandated by the Congress, those doing the study must look at how well reservists have performed, how well they have met their commitments. The record speaks for itself.

During the 1980s, reserve components were an integral part of US involvement in low-intensity conflicts around the globe--operations off the coast of Lebanon, refueling missions during the Libya strike, the Grenada rescue, operations in the Persian Gulf, and, most recently, as a part of operation "Just Cause" in Panama. The reserve components have met the challenges both at home and abroad and have demonstrated their leadership and readiness to get the job done.

ARMY RESERVE

The Army Reserve's Military Construction Appropriation (MCAR) has been suffering from DOD neglect for the past several years.

Neglect that has caused a $2.3 billion construction backlog. Neglect that has given the Army Reserve the dubious distinction of having the lowest percentage of Facilities Requirements on hand (53%) of any reserve component (Chart 1).



*As of Jan 89. Source: OSD (Reserve Affairs)

With the coming reductions in the size of the "Total Army" and the corresponding changes in the Army Reserve, we do see some relief -- possible savings due to potential increased availability of Active Army facilities, Changes in force mix of the components will also have an effect on facilities but not to the degree that would significantly reduce the Army Reserve's facility requirements.

As the Army draws down in size, we anticipate a shift of equipment now in active units to fill requirements in the Army Reserve. Because of the poor facility posture, this new equipment is both a blessing and a problem. The Army Reserve doesn't have enough facilities to properly store, maintain, and utilize the additional equipment to its maximum advantage.

In past years, the short-term answer to the lack of military construction dollar problems has been to lease additional space. This stop-gap measure to support MILCON shortfalls has resulted in a demand for Operation and Maintenance, Army Reserve (OMAR), funds which takes critical dollars from soldier programs. Another drain on OMAR is the potential environmental bill that will have to be paid in order to bring any acquired Active Army facilities up to EPA standards. This hidden cost reduces the attractiveness of acquiring many former Active Army facilities.

The $52.3 million MCAR appropriation request for FY 1991 is most modest by any stretch of the imagination. It supports four new Army Reserve centers, seven major alterations or expansions, one regional medical training site, one regional maintenance training site, and two joint-use Armed Forces reserve centers. These projects, plus several others not included in this year's request are at, or above, 65 percent design and could be awarded this fiscal year. ROA urges the Committee to provide additional funds this year to reverse the trend of deferral and leasing. Your support of this appropriation puts these dollars back to work in Hometown, USA.

AIR FORCE RESERVE

During the past decade and a half, the Congress has provided the modern equipment and the end-strength required to meet assigned wartime and contingency tasking responsibilities. The Air Force Reserve (AFR) is proud of its well-trained, motivated personnel and its outstanding combat readiness.

During 1989, and especially in the major role it played during operation "Just Cause", the Air Force Reserve demonstrated that it could deploy rapidly and efficiently and work and fight side-by-side with active duty counterparts. The volunteerism exhibited by reservists was exceptionally noteworthy. AFR support covered a broad spectrum of combat and support activity, including strategic and tactical airlift, aerial refueling, aeromedical evacuation, gunship surveillance and interdiction and base operations support.

Funding for military construction is urgently needed to support a dynamic and ready Air Force Reserve. The state-of-the-art equipment now being operated by the AFR, requires adequate and timely constructed facilities. The Air Force Reserve is making every effort to upgrade its existing physical plant to support increasing readiness requirements. With a decreasing funding level and an aging physical plant, AFR MILCON backlog continues to grow, directly and negatively impacting readiness. Any further delay only allows prices to increase and will ultimately increase costs.

The FY91 MILCON request of $37.7 million for the Air Force Reserve is a balanced submission, reflecting decreasing defense dollars, total MILCON requirements and a growing MILCON backlog. The Air Force Reserve is impacted at three of the five Air Force Bases recommended for closure. Affected is the 445th Military Airlift Wing-Associate with 48 C-141s at Norton AFB, California; the 940 Aerial Refueling Group with 10 KC-135s at Mather AFB, California; and the 912 Civil Engineering Squadron at Chanute AFB, Illinois.

We are concerned that the MILCON appropriation for the Air Force Reserve was 35 percent less in FY 1990 than in FY 1989 and that the FY 1991 request is 18 percent less than the FY 1990 appropriation. A net reduction of 53 percent in two years is a dramatic decrease. As ROA has stated many times before, the Air Force Reserve must receive adequate resources to continue to maintain a high state of readiness and perform its combat mission.

The following add-on projects could be executed in the Air Force Reserve FY91 MILCON program. If additional funds can be made available, ROA would urge that these projects be considered for funding.

BASE	PROJECT	COST
Richard Gebaur AFB	Base Steam Plant	$ 3,450,000
Youngstown MAP	Upgrade Jet Fuel Storage	750,000
McChord AFB	Medical Training Facility	600,000
Rickenbacker ANGB	Apron Replacement/Hydrant Repair	19,000,000
Dobbin AFB	Base Civil Engineering Complex	4,000,000
O'Hare ARFF	Aerospace Ground Eqmt Shop/Storage	1,400,000

Grt Pittsburgh IAP	Firing Range	1,350,000
Homestead AFB	Pararescue Operations	1,250,000
Kelly AFB	Aerial Port Training Facility	2,000,000
Youngstown MAP	Widen Aircraft Parking Apron	1,400,000
Andrews AFB	Composite Training Facility	1,400,000
Richards Gebaur AFB	Addn Aerospace Ground Eqmt	450,000
Kirtland AFB	Civil Engineering Training Facility	860,000
Youngstown MAP	Corrosion Control Addition Bldg 302	300,000
O'Hare ARFF	Water Storage/Pump House/Dist Sys	2,450,000
Maxwell AFB	Medical Training Facility	425,000
Hill AFB	Medical Training Facility	425,000
Dover AFB	Medical Training Facility	425,000
Lackland AFB	Medical Training Facility	425,000
O'Hare ARFF	C-130 Engine Test Stand	450,000
Youngstown MAP	ADDN Avionics/Maintenance Shops	1,200,000
O'Hare ARFF	Addn/Alter Mobile Aerial Port Facility	450,000
Andrews AFB	Apron Replacement	20,000,000
Richards Gebaur AFB	Dining Hall	2,850,000
Mather AFB	Sound Suppressor (T-9)	1,000,000
Younstown MAP	Shortfield Landing Strip	5,200,000
	ADDITIONAL DESIGN	7,351,000
	TOTAL	80,801,000

With your continued understanding and support, the Air Force Reserve will continue to provide a superb, cost effective, combat ready fighting force. Exercises and real world contingencies have proved that all AFR units can mobilize in 24 hours and deploy within 72 hours. The AFR is ready, better and stronger than ever before; we ask that you provide the resources to keep it that way.

NAVAL & MARINE CORPS RESERVE

The major facility issue facing the Naval Reserve and the Marine Corps Reserve for Fiscal Year 1991 is the proposed closure of NAS South Weymouth, MA and NAF Detroit, MI. The President's

Budget request does not address this proposal with any degree of candor or logic. These two sites are included on this list of 35 domestic military bases released by Mr. Cheney at the end of January as being "under consideration " for closure when, in fact, the Budget request that was released at the same time deleted all the military Full-Time Support (FTS) and drilling Naval Reservists associated with these sites starting October 1, 1990--then only eight months away.

Internal Navy documents have addressed the need to close NAS South Weymouth and NAF Detroit as close to the 1 October 1990 target as possible since the decision to close deleted the associated resources for all of FY91.

ROA is most concerned that this decision is not based on a concurrent decision to reduce the aircraft squadrons and other units of the Naval Reserve and Marine Corps Reserve that are supported by these sites. Such precipitious action would preempt decisions of the Congressionally directed Total Force Study and would preclude meeting the time tables required for orderly and efficient base closure actions. We are also concerned that the closure of these sites will make it extremely difficult, if not impossible, to sustain the Air Reserve Forces of the Navy and Marine Corps of today since, for example, the closure of NAS South Weymouth will result in no training location for these components in all of New England. ROA also notes, with irony, another mark of "professionalism" in the process which would close these locations on October 1, 1990 while also requesting $780,000 to construct a much needed Fire Station at NAS South Weymouth in FY91 as part of the budget request before this committee.

ROA is strongly recommending that Congress restore the $31 million in Reserve Personnel, Navy (RPN) funds and associated personnel required to continue operation of these locations, at least until the results of the Total Force Study can be analyzed by Congress and the Reserve community.

ROA remains concerned over the conditions of Navy and Marine

Corps Reserve facilities. Many need replacement. Most were constructed in the 1940's or early 1950's. More than 80 Reserve Centers (almost 40 percent) exceed 40 years of age and are either wooden frame or early forms of preengineered structures. In fact, the average age of all Navy and Marine Corps Reserve facilities is now 39 years. Four of six Naval Air Stations were designed and constructed during World War II. The construction backlog of the Navy and Marine Corps Reserve has increased dramatically in the past ten years. It now exceeds one billion dollars, approximately 40 percent of the current $2.7 billion plant value of existing facilities.

Such old facilities are not only inefficient because they consume excessive Operations and Maintenance funds for maintenance, repair and for energy consumption; but their lack of modernity inhibits training, adversely affects retention by reducing pride and performance of individual Reservists, and has the cumulative impact of reducing mobilization readiness.

The President's Fiscal Year 1991 budget request for the Military Construction Naval Reserve (MCNR) appropriation is for only $50.2 million.

This level is $6.4 million less than appropriated by Congress for Fiscal Year 1990 and $10.7 million less than Fiscal Year 1989. Obviously, funding at such a low level is counter productive to all the other efforts to improve the readiness and increase the proportion of our Nation's military capability that rests in the Reserve forces.

ROA supports approval of those projects included in the FY91 Budget Submission and strongly recommends approval of an additional $25 million which is unbudgeted but executable in Fiscal Year 1991. Only by approving a program higher than the level requested, can Congress hope to reverse the unsatisfactory trend of deteriorating facilities and ever increasing construction back-logs.

The following Naval or Marine Corps Reserve projects either do not require design since they are acquisitions or their design status has progressed to the point where the project can be executed in FY91, if authorization and funding are provided by Congress:

LOCATION	STATE	PROJECT	COST ($000)
NMCRC Billings	MT	Reserve Training Facility	4,700
*NAR Memphis	TN	Logistics Support Facility	1,800
NMCRC Greenby	WI	Reserve Center Addition	600
NAS Glenview	IL	Runway and Apron	3,750
NRC Kearny	NJ	Air Cond. Reserve Center	800
NAS New Orleans	LA	Training Bldg Add	600
*MCRC Marietta	GA	Reserve Center Acquisition	4,300
*MCRC Montgomery	AL	Reserve Center Acquisition	630
*MCRC Fort Worth	TX	Reserve Center Acquisition	1,400
*MCRC Kansas City	KA	Reserve Center Acquisition	4,500
NRC Pasco(Richland)	WA	Lease Buyout	1,400
NAS Dallas	TX	Land Acquisition	600
		TOTAL	25,080

*Marine Corps Reserve Projects

SUMMARY

ROA's position is that while the threat is reassessed and force levels and force mix recommendation are being considered for the future, there are significant Reserve facility shortfalls that should be addressed promptly. After all, the basic elements of each Reserve component will remain in our force mix of the future under any reasonable alternative. Therefore, ROA supports the limited Reserve military construction program in the budget request and strongly recommends the Congress approve as many additional projects as feasible.

LETTER FROM HENRY S. ROWEN, INTERNATIONAL SECURITY AFFAIRS, ASSISTANT SECRETARY OF DEFENSE

1 6 JAN 1990

Honorable James R. Sasser
Chairman, Subcommittee on
Military Construction
Committee on Appropriations
United States Senate
Washington, DC 20515-6225

Dear Mr. Chairman:

The Military Construction Appropriation Committee Report, 1990, directed the Department of Defense to provide, by 30 January 1990, a report on specific construction and engineering activities in Zaire to be funded from any Department source during fiscal year 1990. In addition, the Committees directed the Department of Defense to prepare, in coordination with the Department of State, a detailed plan of construction activities proposed for Zaire in the next five years, following the format currently utilized in the annual Central America report. A document containing the requested information is appended.

We have reviewed the project proposals sent forward by the US European Command (USEUCOM) and the Joint Staff, and find that none qualify for inclusion in the major military construction program at this time. No major military construction is envisioned for Zaire now or in the foreseeable future. The small projects we have completed in the past (such as the renovation of and provision of potable water for the search and rescue facilities) were to ensure a greater degree of safety for U.S. crews during exercises, fulfill training requirements, or reduce exercise costs.

We anticipate the need for other minor construction in support of future exercises in Zaire. However, we cannot predict the nature or amount of this construction with precision because exercise and training requirements are generated on an annual basis, and these requirements determine whether supporting construction is required. Therefore the possible future projects identified for FY91-94 must be regarded as a notional list.

The Department of Defense or the Military Departments, as appropriate, will notify the Committees for individual projects as required by law.

The Department of State concurs.

Sincerely,

Henry S. Rowen

Henry S. Rowen

CONSTRUCTION AND ENGINEERING ACTIVITIES
KAMINA AIR BASE-ZAIRE FY 1990 - 1994

NOTES

- Joint military exercises and related military construction do not support counterinsurgency forces in Zaire.

- Exercise-related unspecified minor military construction (ERC) projects support the conduct of joint exercises, provide training for U.S. troops, enhance safety of U.S. operations, and save U.S. funds by reducing logistic costs. They are in no way intended to build a U.S. base or to establish a permanent U.S. presence in Zaire.

- While USEUCOM and the Joint Staff have identified potential construction projects, their selection remains notional, and their implementation will remain subject to fiscal, legislative and policy constraints as well as basic need. As annual U.S. exercise requirements are identified and modified to fit the training needs of USEUCOM, operational priorities are changed, or Zairean-funded improvements are made, we will review and nominate appropriate projects.

PROPOSED FY 1990 EXERCISE-RELATED CONSTRUCTION PROGRAM

ZAIRE

Kamina Air Base

Clean and test POL tanks	$40,000	Preparation for second project below
Repair POL tank farm	$350,000	Will allow storage of POL at Kamina for exercises and reduce transportation costs
Construct hammerhead for runway	$88,000	Will allow C-5 aircraft to land, and thus reduce the overall number of flights, and therefore costs, needed to deploy U.S. troops for exercises

NOTIONAL FUTURE MILITARY CONSTRUCTION PROJECTS

FY 1991

Airfield standby electrical power	$750,000	400 KVA diesel generator would provide standby power to the tower and crash and rescue building and future electrical needs.
Install ground vehicle fuel storage tanks	$7,000	Would provide reliable and secure fuel source for construction units

FY 1992

Replace/install runway, taxiway/apron lighting	Estimate pending	Would permit night operations during exercises

FY 1993

Repair runways	$121,000	Would reduce risk to aircraft and preserve existing assets
Replace threshhold and runway lights	Estimate pending	Would make operations safer

FY 1994

Build secure facility	$160,000	Would provide 5,000 sq. ft. secure multi-purpose facility for Special Operations forces
Repair control tower	$45,000	Would prevent further deterioration and extend useful life of facility

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LETTER FROM DAVID J. BERTEAU, PRINCIPAL DEPUTY, PRODUCTION AND LOGISTICS, ASSISTANT SECRETARY OF DEFENSE

MAR 7 1990

Honorable James R. Sasser
Chairman, Subcommittee on
  Military Construction
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

The FY 1990 Report from the Committee on Appropriations (Report number 100-130, September 14, 1989), directed the Department to submit an updated five-year construction plan for Central America and the Caribbean Basin. The current five-year plan is enclosed.

Additionally, the committee requested a discussion on the relocation of the SOUTHCOM headquarters from Panama. The Army as Executive Agent for the Secretary of Defense is well along in a process to develop a list of candidates from which a final selection will be made for the new headquarters site. Options for site selection include: the need to be in close proximity to Central and Latin America; good public air transportation to the area; and sufficient off-base support to accommodate the influx of people without undue hardship. Recent arms control and budgetary developments will have to be considered in the decision process and thus may delay the final decision.

Similar letters are being sent to the Chairman, Subcommittee on Military Construction, House Appropriations Committee; the Chairwoman, Subcommittee on Military Installations and Facilities, House Armed Services Committee; and the Chairman, Subcommittee on Readiness, Sustainability and Support, Senate Armed Services Committee.

Sincerely,

David J. Berteau
David J. Berteau
Principal Deputy

CONSTRUCTION PLAN AND ENGINEERING ACTIVITIES

CARIBBEAN BASIN FY 1990 - FY 1995

NOTES

- Military construction projects listed for FY 1992 - 1995 are included for planning purposes only and are still subject to Service and OSD review prior to being included in future budget requests.

- Operations and Maintenance (O&M) costs for troop accomplished items include materials and identifiable Petroleum, Oils and Lubricants (POL) costs and do not include labor, equipment use, and transportation costs.

- Construction associated with exercises in the outyears has not been put in final form; however, tentative plans indicate a possible level of effort of about $4.0 million per year.

- Non-exercise construction with O&M funds is accomplished either by contract or by activity personnel.

APPROVED FY 1990 MILITARY CONSTRUCTION PROGRAM

GUANTANAMO BAY	($000)
Naval Base	
Family Housing	15,000
PUERTO RICO	
Ft Buchanan	
Upgrade Water Distribution System	690
Middle school	1,155
Roosevelt Roads	
Elementary School	3,261
High School	3,280
Communications Station	
Transmitter Cooling Sys	1,300

KEY WEST	
Naval Air Station	
SOF-Special Forces Training Facility	8,500

PROPOSED FY 1991 MILITARY CONSTRUCTION PROGRAM

ANTIGUA	($000)
Missile Tracking Annex	
Instrumentation Facility	8,200
GUANTANAMO BAY	
Naval Base	
Family Housing	18,409
HONDURAS	
Soto Cano	
C-130 Aircraft Apron	4,600
La Mesa	
Airfield Improvements	12,600
KEY WEST	
Naval Air Station	
EOD Mobile Unit Facilities	3,010
Caribbean Regional Operations Center	4,020

PROJECTS CURRENTLY IN PLANNING FOR 1992 MILCON

GUANTANAMO BAY	($000)
Naval Base	
Family Housing	10,100
PUERTO RICO	
Roosevelt Roads NS	
Sewage Treatment Plant Improvement	7,100

PROJECTS CURRENTLY IN PLANNING FOR 1993 MILCON

PUERTO RICO	($000)
Roosevelt Roads NS	
Drone Target Integration Facility	1,800
General Warehouse	2,400

PROJECTS CURRENTLY IN PLANNING FOR 1994 MILCON

BAHAMAS	($000)
Andros Island NUSC	
Power plant modernization	3,000
Physical security improvements	4,400
PUERTO RICO	
Roosevelt Roads NS	
Comm center addition	700
Land Acquisition (Crown Mt.)	1,290

PROJECTS CURRENTLY IN PLANNING FOR FY 1995 MILCON

BAHAMAS	($000)
Andros Island NUSC	
Civilian Bachelor Quarters	4,400
KEY WEST	
Naval Air Station	
Aircraft Direct Fueling Station	2,700

NON-EXERCISE MINOR CONSTRUCTION FY 1990

HONDURAS	($000)
Soto Cano	
Construct 126,000 gal steel water tank	185
Construct half mile running track	15
Construct building for flammable material storage	37
Construct 2,000 gal water tank at TACAN site	17

	($000)
Clean and paint base water tanks	24
Install security lights east perimeter	147
Construct 1,500 SF self service supply center	20
Convert part of rec center to library	25
Install 3 500 gal/min water pumps for fire fighting	47
Construct 1,000 SF of office and billet area	20
Replace 500 feet of water tank fencing	22
Construct four bedroom VIP visitors quarters	24
Install power to surge area	65
Install fence and gates at the radio facility	24
Construct gravel storage bins	31
Replace waste incinerator	10
Construct 495 SF wood building for fuel point office	18
Repair 3.54 KM road to TACAN site	40
Construct 1,024 SF bohio eating area	22
Construct 420 SF main gate house	33
Upgrade flight line electrical distribution	40
Remove rubber/paint from runway repaint markings	157
Upgrade electrical distribution MI BN area	19
Construct 1,080 SF packing and crating building	9
Repair floor in main dining facility	57
Construct two concrete loading ramps	50
Landscape living and rec area	23
Construct 3,300 SF wood frame central issue facility	24
Construct flightline pedestrian gate	5
Construct 1,024 SF bohio eating area at Blackjack	22
Construct a 720 SF pole barn for storage	9
Construct a 1,024 SF wood generator maintenance shop	9
Construct a 720 SF wood frame warehouse	18
Construct 160 SF paint storage building Blackjack	4
Construct 720 SF POL storage shed	9

Tiger Island	($000)
Replace three 16′ x 32′ wood billets	24
Puerto Castilla	
Erect one 40′ x 100′ and 2 20′ x 48′ buildings	0
Olancho	
Construct a 7 building temporary troop camp	58
Santa Barbara	
Construct a 7 building temporary troop camp	58
Choluteca	
Construct 12,000 SF public school gymnasium	0
COSTA RICA	
Santa Clara - Valle Azul	
Erect 2 bailey bridges, repair 15K single lane road	0
BELIZE	
Dangriga	
Repair 140 FT steel bridge and abutments	0

Where cost is zero, funded costs are borne by the host nation.

EXERCISE RELATED CONSTRUCTION FY 1990

HONDURAS	
Choluteca	
Construct runway, apron, unpaved road	667
Construct cargo staging and fuel storage areas	337
Yaro - San Lorenzo	
Construct unpaved road	50
Jamastran	
Upgrade existing runway	986
Construct base camp, repair apron, taxiways, road	258
Punta Raton	
Upgrade existing road, repair existing cargo pad	582
La Quesara - El Barro	
Construct unpaved road	126

San Lorenzo	($000)
Improve road, repair culvert and retaining walls/berm	29
Upgrade cargo pad	57
Upgrade road	43
El Caimito	
Construct helicopter parking area	134
San Lorenzo Abajo - Jocon	
Improve 700 person base camp	50
Construct unpaved road	340
PUERTO RICO	
Roosevelt Roads NAS	
Rapid Runway Repair practice area	50

CONSTRUCTION PLAN AND ENGINEERING ACTIVITIES

CARIBBEAN BASIN 1990 - 1995

SUMMARY

($ in millions)

MILCON

	90	91	92	93	94	95	TOTAL
Antigua	0	8.2	0	0	0	0	8.2
Cuba	15.0	18.4	10.1	0	0	0	43.5
Honduras	0	17.2	0	0	0	0	17.2
Panama	0	0	0	0	0	0	0
Puerto Rico	9.7	0	7.1	4.2	2.0	0	23.0
Other	8.5	7.0	0	0	7.4	7.1	30.0
	33.2	50.8	17.2	4.2	9.4	7.1	121.9

HONDURAS NON EXERCISE O&M FUNDING

To Date	1.4						1.4
Projection	1.5	3.0	3.0	3.0	3.0	3.0	16.5

EXERCISE RELATED CONSTRUCTION

To Date	4.2						4.2
Projection	-	4.0	4.0	4.0	4.0	4.0	20.0

LETTER FROM JOHN W. BEACH, DEPUTY FOR BUDGET, OFFICE OF THE ASSISTANT SECRETARY, DEPARTMENT OF THE AIR FORCE

14 FEB 1990

Honorable James R. Sasser
Chairman, Subcommittee on
Military Construction
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

This letter is in response to the request on page 27 of the FY 90-91 DoD Military Construction Appropriation Report (S.Rpt. 101-130, Sep 14, 89) and page 14 of the FY 90-91 DoD Military Construction Appropriation Conference Report (H.Rpt. 101-307, Oct 24, 89). The first request is to outline the specific plans and costs for the US share of upgrading Canadian military facilities, hereafter referred to as Fighter Forward Operating Locations (FOLs) and AWACS Dispersed Operating Bases (DOBs). The second request is to certify that Canada is sharing in the incremental costs at a 50-50 matching share.

Pursuant to the US/Canadian Memorandum of Understanding on North American Air Defense Modernization, signed on March 18, 1985, and the Supplementary Arrangement, signed December 4, 1987 the US and Canadians are sharing the FOLs/DOBs cost on a 50-50 basis. Attached Background Paper delineates the FOL/DOB concept of operations in Canada and US/Canadian cost sharing arrangements. Also the Background Paper identifies the total estimated share of US costs, our planned funding and reimbursement schedule, and the projected Canadian design and construction schedule.

We hope this information will be helpful in ensuring your continuing support for the upcoming budget decisions necessary to keep this important burdensharing program on track.

Sincerely,

John W Beach

JOHN W. BEACH
Deputy for Budget

BACKGROUND PAPER
ON
FIGHTER FORWARD OPERATING LOCATIONS (FOLs) AND AWACS DISPERSED OPERATING BASES (DOBs)

Background

- US/Canadian Memorandum of Understanding (MOU) on North American Air Defense Modernization (NAADM), signed March 18, 1985, and a Supplementary Arrangement (SA), signed December 4, 1987, delineate the FOL/DOB concept of operations in Canada and US/Canadian cost sharing arrangements. Under the provisions of the SA, the US and Canadians will share the FOLs/DOBs cost on a 50-50 basis. Cost shared items include design and construction of facilities, common support equipment, and training. The Canadians will design and construct required facilities, procure common support equipment, and provide initial training. The US will reimburse Canada for its share

- FOLs/DOBs are one of the nine major components of the MOU. Canada and the US have agreed to implement minimum essential upgrades to selected northern contingency locations in Canada to allow fighter and AWACS operations. The locations are to be sited in accordance with approved NORAD operational plans to take advantage of the increased surveillance coverage provided by modernized warning systems. The FOLS/DOBS are not in support of NATO operational war plans

- Summary of the US/Canadian SA on FOLs/DOBs

  - Facility upgrade costs, common support equipment (Communications/Navigational Aids, and Vehicles), and initial training in operations and maintenance of equipment will be shared on the basis of 50% US and 50% Canada

  - CF-18s and USAF F-15s/F-16s will be capable of operating from any of the FOLs (up to six of any mix at each FOL)

  - AWACS DOBs will be capable of receiving force package sizes of three E-3s

    - DOBs are currently able to support AWACS deployments, i.e., no facility upgrades or new equipment are required

  - FOLs and DOBs will only be maintained in a condition to receive operational deployments and logistics support on the basis of 48 hours notice

  - Maximum use will be made of existing facilities at the FOLs and DOBs. Construction of infrastructure and purchase of vehicles, equipment, etc., to meet minimum requirements will only take place when an equivalent capability is not available through use of existing facilities or through cost effective rental or lease arrangements

  - Canada will be responsible for the design, construction, and upgrade of the minimum essential facilities required at the FOLs and DOBs

    - Annex A to the SA lists the minimum essential requirements for the FOLs and DOBs

  - Canada will make available to the US and operate and maintain such existing Canadian facilities, vehicles, and services at the FOLs/DOBs as necessary to ensure effective and economical use of these locations

  - Canadian forces shall manage all FOLs/DOBs facilities and will be responsible for operational and support costs. US forces will pay incremental costs caused by US deployments and will be responsible for providing deployment kits and support packages associated with US aircraft

  - The US shall not permanently station any personnel or aircraft at the FOLs/DOBs, however, the US may temporarily deploy military personnel and aircraft to these locations

  - FOLs/DOBs (Map at Atch 1):

    - FOLs: Inuvik, Yellowknife, Rankin Inlet, Iqaluit (Frobisher Bay), Kuujjuaq (Fort Chimo)

    - DOBs: Namao and Bagotville

Status

- US share of the FOLs/DOBs costs and schedule of payments listed below were provided by Canadian National Defence Headquarters (List of facility requirements provided at attachment 2). The US and Canadian share of costs have been allocated to the Department of National Defence. This is consistent with Canadian Governmental policy for budgeting and allocating resources. Canada expects the US to reimburse them not at the conclusion of the project, but rather on a reasonable incremental payment basis

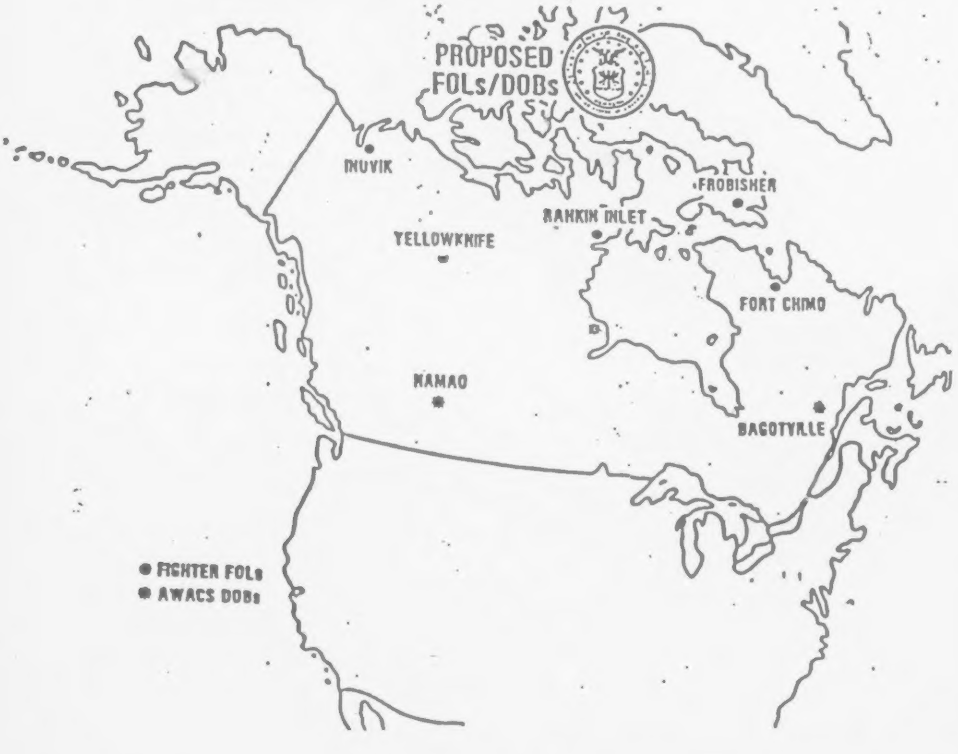
SHARE OF COSTS (50%)
IN US DOLLARS BASED ON
BY YEAR CANADIAN DOLLARS
CONVERSION FACTOR OF .71 US$/CANADIAN$

FY	DESIGN ($M)	CONST ($M)	TOTAL ($M)
87-88	1.4	-	1.4
89	1.5	.6	2.1
90	.3	18.6	18.9
91	.4	29.1	29.5
92	.3	26.0	26.3
93	.1	8.1	8.2
TOTALS	4.0	82.4	86.4

- Reflected below is the USAF plan for reimbursing Canada and funding the US share of design and construction, common support equipment, and training.

Appropriation	88	89	90	91	92	93	TOTAL
3080	-	-	-	3.5	5.3	-	8.8
3300	1.3	2.1	12.0	18.3	20.7	20.0	74.4
3400	-	-	-	-	2.0	1.2	3.2
TOTALS	1.3	2.1	12.0	21.8	28.0	21.2	86.4

- Projected Canadian design/construction schedule
  - Design Phase Nov 88 - Nov 89
  - Construction Phase: Rankin Inlet, May 89-Aug 93; Inuvik, Jun 90-Oct 93; Yellowknife, Kuujjuaq, and Iqaluit, Jun 90-Sep 93



FAC REQ	IQALUIT (IROBISHER BAY)	KUUJJUAQ	RANKIN INLET	YELLOW KNIFE	INUVIK
ALERT HANGARS, 5,500SF EA	4 EA	6 EA	6 EA	4EA	4EA
OPS/SPT BLDG (19 OPS/MAINT PERSONNEL, 3,500 SF SHOP)	X	X	X	X	X
VEHICLE (OPS) GARAGE	X	X	X	X	X
LOX SHELTER	X	X	X	X	X
AGE BLDG, 1800SF	X	X	X	X	X
SECURITY CONTROL/FENCING	X	X	X	X	X
SECURITY LIGHTS	X	X	X	X	X
INTRUSION ALARMS	X	X	X	X	X
200 PN DORM/OQ/MESS	X	X	X	X	X
FIRE STA (2 BAYS)	-	X	X	-	-
HEAVY EQ GARAGE	-	-	X	-	-
UTILITIES	X	X	X	X	X
RUNWAY UPGRADE	X	X	-	-	-
RUNWAY EXTENSION	-	-	X	-	-
TAXIWAY, ALERT APRON	X	X	X	X	-
CARGO A/X APRON-FOR 2 C-141S	-	X	X	-	-
ARRESTOR GEAR ANCHORS	X	X	X	X	X
RUN-UP PAD/ANCHOR	X	X	X	X	X
A/F LIGHTING	X	X	X	X	X
ACCESS ROADS	X	X	X	X	X
RELOCATE NAVAIDS	-	X	X	-	-
WHSE, 2,500SF	X	X	X	X	X

X=REQUIRED
-=NOT REQUIRED

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